

1.0 Department of Corrections

Summary

The Department of Corrections, as the adult correctional authority for the State of Utah, has a primary mission of community protection. To accomplish this goal, the Department must develop and provide programs that identify and control the convicted offender's inappropriate behavior, and help the offenders in functioning as law-abiding citizens.

Financial Overview

	FY 1998	FY 1999	FY 2000	FY 99/00
Financing	Actual	Estimated	Analyst	Difference
General Fund	\$137,128,700	\$150,894,500	\$153,560,100	\$2,665,600
Federal Funds	1,604,400	2,217,200	1,824,300	(392,900)
Dedicated Credits	15,846,300	17,115,200	20,309,000	3,193,800
Transfers	1,273,500	1,029,600	529,600	(500,000)
Beginning Nonlapsing	2,432,700	4,498,200	1,680,000	(2,818,200)
Ending Nonlapsing	(4,498,200)	(1,680,000)		1,680,000
Lapsing				
Total	\$153,787,400	\$174,074,700	\$177,903,000	(\$3,828,300)
Programs				
Administration	\$8,209,300	\$9,018,400	\$8,482,900	\$535,500
Field Operations	31,503,500	33,095,800	33,513,500	(417,700)
Institutional Operations	73,620,900	83,487,700	81,931,800	1,555,900
Medical	14,224,500	14,539,000	14,487,500	51,500
Forensics	190,000	190,000	190,000	
Utah Correctional Industries	12,400,100	12,400,100	15,125,800	(2,725,700)
Data Processing ISF	1,251,900	1,350,000	1,343,200	6,800
Jail Programs	12,387,200	19,993,700	19,253,200	740,500
Total	\$153,787,400	\$174,074,700	\$174,327,900	(\$253,200)
Supplementals				
Building Blocks			\$3,575,100	\$3,575,100
Total	\$153,787,400	\$174,074,700	\$177,903,000	(\$3,828,300)

2.0 Budget Highlights: Corrections**2.1 Gunnison Prison
288 bed addition**

To cover increased remainder of the full year costs for the new 288 bed unit at the central Utah Corrections Facility in Gunnison.

Recommended: \$2,100,000 in General Fund

**2.2 Internal Service
Funds Adjustments**

Rate changes in the internal service funds that provide information technology, mail, fleet, and risk management services add costs to current operations for the new fiscal year. These adjustments are accumulated as a single increase and assigned to the administrative budget to cover increased costs.

Recommended: \$451,900 in General Fund

**2.3 Contract services
to extend officer's
coverage**

The Analyst recommends \$288,000 to provide additional contract service hours for pre-sentence reports so as to relieve AP & P agents for more in the field supervision of offenders.

Recommended: \$288,000 in Dedicated Credits

2.4 Forensic Staffing

The Analyst recommends \$1,135,200 to provide staffing for the converted forensic unit at the Draper Prison.

Recommended: \$1,135,200 in General Fund

**2.5 Offender tracking
Data Base**

The Analyst recommends a reduction of \$400,000 from funds for the development of a new Offender Tracking System (OTRACK) for Corrections.

Recommended: (\$400,000) in General Fund

**Total Budget
enhancements and one-
time expenditures**

	FY 2000 Analyst
Financing	
General Fund	\$3,287,100
Dedicated Credits	\$288,000
Total	<u>\$3,575,100</u>
Programs	
Internal Service Fund Adjustments	\$451,900
CUCF (Gunnison) 288	2,100,000
Forensic Facility	1,135,200
Presentence Investigations	288,000
O-TRACK	(400,000)
Total	<u>\$3,575,100</u>

3.0 Department of Corrections

Summary

The Department of Corrections, as the adult correctional authority for the State of Utah, has a primary mission of community protection. To accomplish this goal, the Department must develop and provide programs that identify and control the convicted offender's inappropriate behavior, and assist the offenders in functioning as law-abiding citizens.

The State statute defining the Department of Corrections also establishes its purposes in broad terms. These are:

- ▶ Protection of the Public
- ▶ Implementation of court ordered punishment
- ▶ Provision of program opportunities for offenders
- ▶ Management of programs to take into account the needs of victims
- ▶ Supervision of probationers and parolees

The Department Mission Statement lists community protection and providing offenders skills to be competitive to enhance the prospects for their success, as primary goals.

Budget History

Prior to the 1990 General Session the Department appropriation included four line items:

1. Administration/Field Operations
2. Institutional Operations
3. Data Processing (Internal Service Fund)
4. Utah Correctional Industries

In the 1990 General Session, litigation related to the "medical" budget component, and subsequent growth in that budget, caused legislators to break the medical component into a separate line item. Concurrently the annual forensics appropriation (\$190,000) was also broken into a separate line item. Overall growth in the administration and field operations budgets made the separation of the Field Operations Division budget into it's own line item also desirable. Since the FY 1991 budget appropriation the line items have generally been as follows:

Administration
Field Operations
Institutional Operations
Data Processing (Internal Service Fund)
Clinical Services
Forensics
Utah Correctional Industries (Enterprise Fund)
Jail Reimbursement

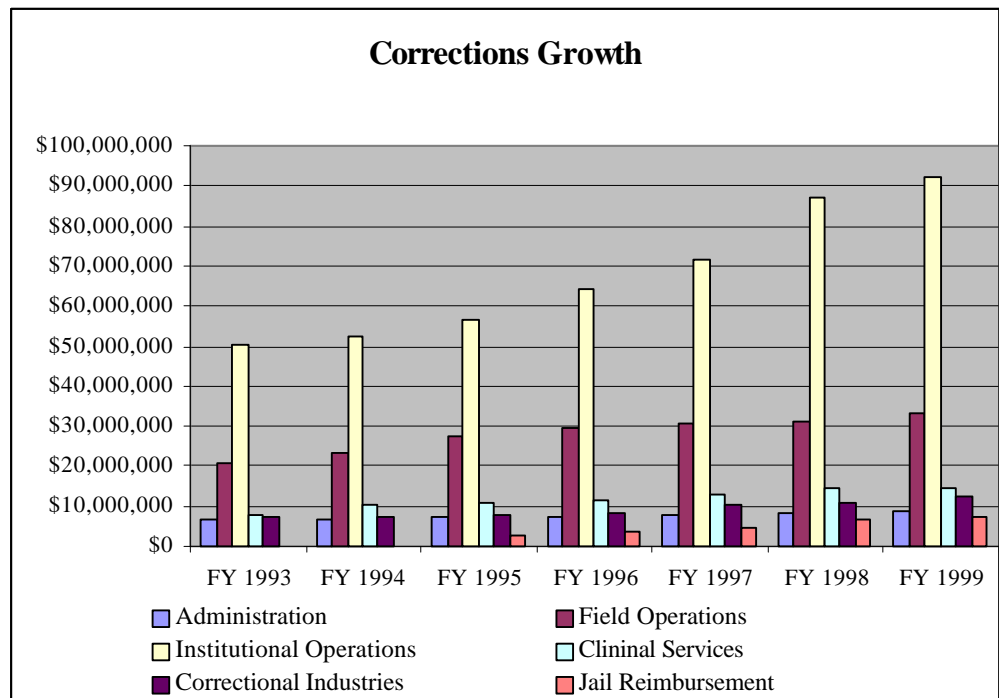
The appropriations history for the Department of Corrections has been relatively stable in form but growing in total for the last seven years. Department budget growth has reflected both fiscal note funding of a series of "get tough on crime" legislation items as

well as strong legislative support for increased institutional facilities and staffing through the budget appropriations process.

It should be noted that, since Corrections input to institutional operations is through court action and releases on parole are under the authority of the Board of Pardons, the Department does not have control over the number of offenders committed to it's care or the length of stay of offenders in prison or on probation and parole.

The following chart illustrates the 81 percent growth of this budget over seven years.

**Budget Highlights:
Incapacitation is not
cost effective**



The current adult corrections' program is based, at least in part, on a questionable assumption. That of incapacitation reducing crime or making the community safer. When the long term impact of incarceration is considered the Analyst questions this assumption. Incapacitation has marginal impact on the levels of crime and is the most expensive alternative treatment for offenders.

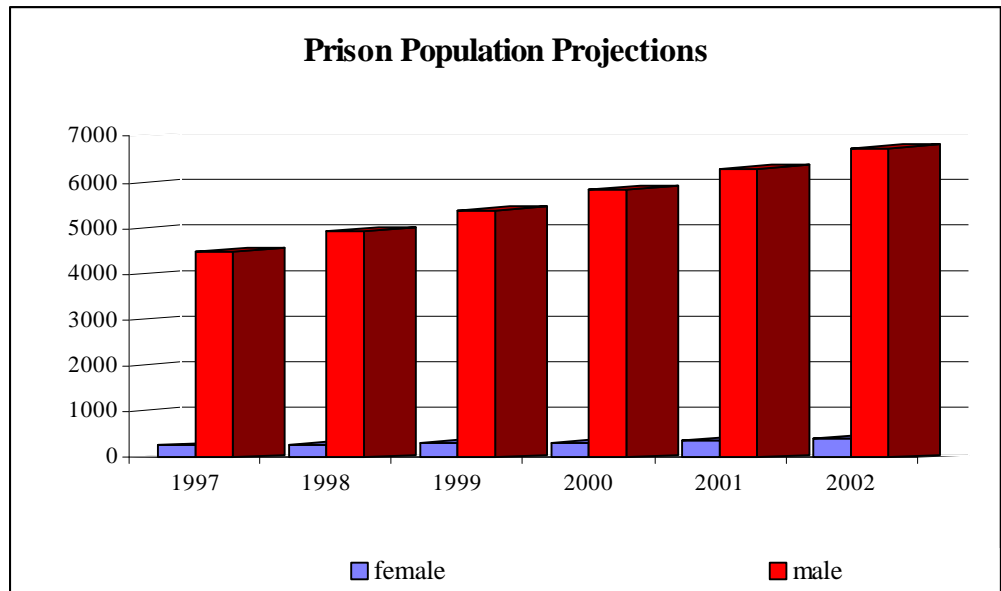
"Most criminologists today - whether left, right or center - generally acknowledge that only a fraction of serious crime can be prevented by increased incarceration." Recidivism, or the rate of reoffense by a discharged prisoner, continues to show that prisons do not correct most offenders and society is not protected (except a short expensive period) by incarceration.

The Crime Task Force Report in recapitulating the Detroit Strategic Planning Project noted, *"One reality became abundantly clear: **building more prisons to***

accommodate a burgeoning number of felons is not the answer.” It must be remembered that **most prisoners will come out of prison and back into society.** How they come out, and what we do to change their potentials to be productive additions to society, rather than drains on its resources, is a policy decision.

The most crime prone age groups, in fact, show an almost marginal increase.

Legislative policy is driving corrections not crime



Current demographic data shows that the number of Utah residents between the ages 20 and 29 has **not significantly increased** during the period from 1980 to present. The following chart shows the arrest rate for adults and juveniles rate for the last five years.

Arrest Rates 1993 - 1997						
	Total Juveniles	Juvenile Arrests	Arrest Rate for Juveniles Per 1000	Total Adults	Adult Arrests	Arrest Rate for Adults Per 1000
1993	660,927	43,214	65.38	1,191,073	80,032	67.19
1994	669,782	42,678	63.72	1,249,580	90,618	72.52
1995	674,794	42,386	62.81	1,300,501	89,569	68.87
1996	679,563	40,053	58.94	1,375,151	101,545	73.84
1997	685,138	36,100	52.69	1,447,104	92,817	64.14

Impacting the arrest rates is the relative youth of the population of Utah. Utah has the

youngest population in the nation. Where national data shows that the 40 year old and under population represents 93 percent of all property crime arrests , 90 percent of violent crime arrests, and 85 percent of all non-index crimes, one should expect Utah to have a somewhat elevated arrest rate.

The average rate of crime in Utah has been approximately 5,300 offenses per 100,000 over the last six years. While the general perception is that crime is on the rise, when adjusted for population increases, it has not risen.

Crime Rate Flat but Incarceration Grows

In fact, the crime rate has not increased nor decreased more the 8 percent over the average rate for this period.

But, Utah's incarceration rate has grown as follows:

Incarceration rate 1980	69 per 100,000
Incarceration rate 1999	Over 220 per 100,000

This means that we are locking up more and more people for longer terms at an ever increasing cost. Prison population projections and their attendant costs continue to be driven by these policy decisions.

The significance of this increased rate is that, without changes in current policies, the state will require a new medium sized, 500 bed, prison to be built each year at an added construction cost of \$36 million and added annual operating cost of over \$11,000,000.

Sentencing Commission Recommendations

The Utah Sentencing Commission report for 1998-1999 notes:

“Utah is approaching a cross-roads in corrections policy. Facing tremendous growth, it can decide to attempt to build its way out of the dilemma with many more prison beds and dedicate all new Corrections money into constructing prison cells, or it can adopt a more balanced, adaptive approach including significant increases in intermediate sanctions and revising probation and parole supervision. Probation and parole supervision need to be intensified and be made more meaningful. There needs to be some re-prioritizing in the entire Corrections budget, both from the legislative and executive branches standpoints. Appropriations need to be spent on both added secure beds and intermediate sanctions.”

They go on to recommend:

“The Sentencing Commission recommends expanding existing intermediate sanctions and building upon current approaches rather than developing new ones. The following recommendations entail the second stage of what is anticipated to be ongoing recommendations from the Sentencing Commission concerning intermediate sanctions.

Criminal Justice System

1. Davis County Day Reporting Program Full Year Funding
2. Day Reporting Programs in Provo and West Valley
3. Probation Community Corrections Center (CCC's)
4. Privatizing Pre-sentencing Investigations"

**Recruitment and
Retention**

Recruitment and retention of correction officers are major concerns of the Administration and the Legislature. Competition for similar jobs in other states and with local government facilities have added pressure to the situation. The position of corrections officer is frequently used as a stepping stone to other law enforcement positions. This is true for all jurisdictions. The challenge is becoming particularly acute for the State along the Wasatch Front where new major facilities being brought on line by local governments are competing for corrections officers from the Draper and other state run facilities.

Compensation

The Office of the Legislative Fiscal Analyst has reviewed compensation in surrounding states and at the local level as a part of their in-depth review. Though Utah is at the lower middle end of the scale when considering compensation compared with surrounding states, the State pay is the lowest when compared with the three largest comparable organizations at the Utah local level.

A salary survey for 1998 done by the Legislative Auditor General reports that the inter-mountain states average starting salary for a correctional officer is \$22,307 per year. Utah's current starting salary is \$21,029 or 5.73 percent lower than the inter-mountain west average. The data in the following chart details the states' current salary information.

Correctional Officer Salaries in the Inter-mountain States					
State	Entry Level		After Probation (or 1 year)		
	Hourly	Yearly	Hourly	Yearly	Probation
Colorado	\$14.20	\$29,532	\$14.55	\$30,270	12
Oregon	\$12.68	\$26,370	\$13.31	\$27,684	12
Nevada	\$12.36	\$25,698	\$13.41	\$27,886	12
California	\$11.54	\$24,012			6
Washington	\$11.53	\$23,976	\$12.08	\$25,116	12
Idaho	\$10.97	\$22,818	\$11.24	\$23,379	12
UTAH¹	\$10.11	\$21,029	\$11.27	\$23,442	18
Arizona	\$9.91	\$20,604	\$10.39	\$21,604	12
Wyoming	\$8.86	\$18,420	\$9.43	\$19,620	12
Montana ²	\$8.08	\$16,796	\$9.50	\$19,766	6
New Mexico	\$7.75	\$16,120	\$8.72	\$18,143	12
Averages of 11 States	\$10.72	\$22,307	\$11.39	\$23,691	
Average minus UT	\$10.79	\$22,435	\$11.40	\$23,719	
Federal Prison System	\$9.39	\$19,524			
<p>Notes: ¹Utah Correctional Officers get an increase after six months to \$10.38 per hour, then to \$11.27 per hour after a year. They do not have to wait to the end of the 18 month probation.</p> <p>²Montana Correctional Officers get an increase after the first year to \$8.76 per hour and the second year to \$9.50 per hour.</p>					

Local Jurisdiction Comparison

The Utah State Legislature has outlined through Utah Code 67-19-12.3 how compensation for corrections officers is to be calculated. The Department of Human Resource Management surveys the three largest employers of corrections officers for these calculations. They are: Salt Lake County; Utah County; and Davis County. For salary adjustment and comparison purposes, the mid-range is listed.

The State Correctional Officer minimum salary is lower than the three largest comparable jurisdictions within Utah. The midpoint of the salary range is a better comparison. The following chart shows a comparison of the major entities required for comparison by state statute.

Governmental Entity	Salary Range	Steps	Mid-Range Salary
State of Utah - Correctional Officer	\$10.11 - \$17.87 / hour	31 to 52	\$13.99
Davis County - Correctional Officer	\$10.88 - \$17.93 / hour	No Steps	\$14.40
Utah County - Deputy Corrections Specialist	\$12.63 - \$14.86 / hour	23 to 30	\$13.75
Salt Lake County - Correctional Officer	\$13.03 - \$17.56 / hour	1 to 12	\$15.29

The positions are generally comparable and the benefits are very similar between the entities. All positions require POST certification. Each of the entities except for Davis County requires a minimum period of service after POST certification or else the cost of training must be repaid. There are a couple of exceptions between the entities. Many jurisdictions establish contractual agreements with new employees for a minimum time commitment or the cost of training must be repaid.

State of Utah - The state position requires POST certification which requires a high school diploma or GED. A clothing allowance equivalent of \$43.75 per month is paid. Steps are 2.75 percent each.

Davis County - Davis County has no stated educational requirement, but requires POST certification which mandates a high school diploma or GED. A clothing allowance of \$60.00 per month is paid. The County has no steps. Increases are based on performance. They can range from 0 to 4.25 percent.

Utah County - Utah County requires additional education beyond high school. They prefer a bachelor's degree or comparable amount of work experience. A clothing allowance of \$390.00 is paid every six months. This averages to approximately \$65.00 per month. Steps are 2.35 percent each.

Salt Lake County - Entry educational requirements are the same as the State. There is a pay differential allocated for additional education. Incentive pay of \$25.00 per month is paid for an Associate's degree, \$50.00 per month for a Bachelor's degree, and \$75.00 per month for a Master's degree. The County pays a clothing allowance of \$70.00 per month for the first year and \$50.00 thereafter. Steps are 2.75 percent each.

State Compensation Adjustment Policy

By law (Utah Code Annotated 67-19-12(4) and 67-19-12.3), the Department of Human Resource Management is charged with the responsibility of submitting a compensation package which incorporates market survey information of salaries ranges and benefits each year.

A job salary range midpoint position must be 11 percent or more below the comparable job salary range midpoint before an increase is recommended. The 11 percent figure used to determine whether or not market comparability adjustments are recommended is a *business practice* decision, rather than being law or rule driven. The State salary steps are 2.75 percent steps by current law. The 11 percent figure is a multiple of the 2.75 percent step increments.

Salary survey now includes turnover as a factor

Market comparability adjustments have not been funded for the past three years. The Department of Human Resource Management has added another requirement that an agency must satisfy before they recommend a market comparability adjustment. The requirement is that an agency must have an 11 percent or higher turnover rate in addition to being 11 percent or more below the comparable surveyed organizations. *Corrections officers have not been recommended for a market comparability adjustment for FY 2000 because they do not meet the salary requirements*

established by DHRM. The turnover rate was not evaluated as such since the

positions did not meet the 11 percent below market salary criterion.

Benefits

Benefits among the four largest operators of correctional facilities in Utah are comparable. The State has used private sector compensation comparisons and found that the State benefits are better (up to ten percent) in many cases. In the case of Corrections, the comparisons are with other governmental agencies. All the major organizations use the Utah Retirement Systems, the same as the State. All offer medical, dental and life insurance, in most cases through Public Employees Health Program. Data prepared for the Law Enforcement and Criminal Justice Interim Legislative Committee indicated that the State benefits were greater than local government. Since many of the costs are fixed, the benefit on a percentage basis seems higher due to the lower base salary. The actual disparity between entities is not significant.

Correctional Officer Turnover

Employee turnover is often cited by the Department as a symptom of low compensation. There are many factors that contribute to high employee turnover, including such things as benefits, duty hours, working conditions, and alternative employment opportunities. It is interesting to note that the state with one of the highest salaries also has one of the highest overall turnover rates. (Nevada)

There does seem to be a statistical correlation between salary levels and turnover rates between most states. Utah falls in the middle of the range when compared with other western states. The following chart is from the 1997 Corrections Yearbook.

Comparative Turnover Data

	Turnover Prior To Completing Probation	Total Officers Leaving Agency	State	Correctional Officer Turnover Rate
New Mexico	45	196	23.0%	15.7%
Montana	1	56	1.8%	
Wyoming	15	58	25.9%	17.6%
Arizona	97	793	12.2%	17.0%
Utah		89		12.0%
Idaho		94		14.3%
Washington		140		6.6%
California	122	1,337	9.1%	6.6%
Colorado	72	116	62.1%	8.3%
Oregon	17	85	20.0%	7.6%
Nevada	17	212	8.0%	20.9%
Utah		89		12.0%
National Average	4,145	23,745	19.6%	12.9%

The records reviewed by the Legislative Fiscal Analyst Office included the Department of Corrections Termination Logs For 1997 and 1998 and the Department of Human Resource Management Vacant Position Reports. Turnover in the State of Utah is very similar to most jurisdictions. Approximately half of employees leaving State Corrections employment go to other law enforcement jurisdictions. The 1998 figures (to date) continue to reflect an increasing trend of movement toward other law enforcement agencies.

A Problem that is Imminent

Even though the numbers do not seem to indicate a significant problem at the present time, it is anticipated that as new correctional facilities are opened along the Wasatch Front, there will be an increase in the number of vacancies (and turnover rate) as employees leave to go to local jurisdictions for more money and greater advancement opportunities.

This will have an even greater impact on the state system if a number of middle managers and supervisors choose to change agencies leaving a less trained first level management in the state prisons.

Recommendations

Although this subcommittee does not fund salary related items per se it is the body that the Executive Appropriations Committee looks to for recommendations in the areas of criminal justice. The Analyst offers the subcommittee the following recommendation for consideration.

The executive branch agencies (Human Resources and Corrections) have recommended that a special salary increase be given to Correctional Officers and those positions that DHRM has “benchmarked” to the Correctional Officer. This latter category would include some supervisory positions, transport officers, probation and parole agents. This proposal would encompass 1,327 positions and provide an average of a 3.5 step increase (9.6 percent) for \$5 million.

Alternatively, using \$5 million only for Correctional Officers (548 positions) and Correctional S/E Officers (66 positions) would provide 9 steps (24.75 percent) increase and create serious morale and equity problems in the Department.

The Analyst recommends a third alternative would give the smaller group 13.75 percent (5 steps) costing \$2.79 million. This would equate to a \$2 per hour and make state Correctional Officer salaries competitive with the counties. This alternative recognizes the impending demand for Correctional Officers as the two new large jails on the Wasatch Front beginning hiring. As a part of this scenario the balance of the \$5 million (\$2.25) million would be shared by the other “benchmark” positions yielding an average increase of 2.86 steps or \$1.49 per hour.

Workload and Forecasts of Growth

Forecasting provides a quantitative basis from which to analyze the possible impact of policy changes on correctional populations and to estimate future facility needs. Projections of prisoner numbers should be based on properly thought out assumptions regarding: 1) future demographic trends and trends in patterns of offending, and 2) trends in patterns of policing and sentencing, resulting from political and community perceptions.

Forecasting Models

The Utah Department of Corrections historically makes forecasts of inmate population and bed needs of offenders. Since January of 1991, Corrections incarcerated population has been growing at an annual net increase of almost 500 offenders per year. If growth continues at the current rate, the state will need to find inmate housing for 450 to 500 new offenders each year for the foreseeable future.

Carter Gobel and Associates (CGA) Study

In the Correctional Systems Needs Study conducted in 1995 by CGA the following forecasting models were used:

1. Exponential smoothing: computer generated forecast based on a exponential smoothing model. Incorporates data from the past into a forecast of the future populations while smoothing out the impact of the most erratic months that have no systematic impact on the general growth trend.
2. Forecast based on the annual average rate of change in average daily population. The annual average rate of change is the average of the percent increase from year-to-year during the period.
3. Forecast based on the average annual rate of change of the incarceration rate. Using the historical average rate of change per year.

Admission trends from 1994 to 1998 show a net increase of 1.7 percent/month with an annual rate of growth averaging 450 plus inmates per year.

Growth in Inmate Population

Adding to the inmate growth has been the increased length of stay of those sentenced. Average length of stay over the period 1985 to 1997 has changed from 19.8 to 20.77 months.

The growth in any incarcerated population is caused by an increase in the length of stay of offenders and/or an increased incarceration rate. Although, incarceration rates grow each year, starting in 1995 the rate of growth significantly increased. Changes in legislation requiring longer lengths of stay has also increased the prison population. For example, the Child Kidnaping and Sexual Abuse Act of 1983 increased the number of sex offenders in prison by almost seven times.

Other Growth

Paralleling growth in the number of inmates will be a growth in the subsequent number of offenders on parole. Offender counts on probation will also continue to grow at high rates.

State Vehicle Use

There are about 379 state owned vehicles in the Department of Corrections. The Analyst estimates that between 150 and 200 vehicles are authorized for commuting in this Division. Some officers do not work out of a traditional office and their assigned vehicle is their office. Department data shows administrative personnel are given commuting privileges as well. The Analyst recommends that the Department be asked to report on it's vehicle policy to the subcommittee as a part of their annual budget presentation.

**Internal Service Funds
Adjustments**

Rate changes in the internal service funds that provide information technology, mail, fleet, and risk management services add costs to current operations for the new fiscal year. These adjustments are accumulated as a single increase and assigned to the administrative budget to cover increased costs.

Recommended: \$451,900 in General Fund

3.1 Administration

Summary

To provide a more detailed overview of the budgets of the Department Administration, the administrative programs are separately represented in the budget presentation. The aggregate budget of: The Executive Director's Office, Administrative Services functions, Training and the Corrections Advisory Council are represented in this line item.

The Analyst notes that this recommendation reflects a carry-over of \$150,000 from FY 1998 which is smaller than the carry-over from the two previous years. It also reflects less federal funds in these budgets.

Details of programs and budgets will be discussed in the individual programs that follow.

Financial Summary

	FY 1998	FY 1999	FY 2000	FY 99/00
Financing	Actual	Estimated	Analyst	Difference
General Fund	\$7,838,900	\$8,385,700	\$8,184,200	(\$201,500)
Federal Funds		355,200	8,700	(346,500)
Dedicated Credits	57,200	121,000	140,000	19,000
Transfers	294,800			
Beginning Nonlapsing	324,900	306,500	150,000	(156,500)
Ending Nonlapsing	(306,500)	(150,000)		150,000
Lapsing				
Total	\$8,209,300	\$9,018,400	\$8,482,900	(\$535,500)
Programs				
Executive Director's Office	\$2,071,300	\$2,321,700	\$1,855,700	(\$466,000)
Administrative Services	5,444,500	5,998,800	5,915,200	(83,600)
Training	693,500	697,900	712,000	14,100
Total	\$8,209,300	\$9,018,400	\$8,482,900	(\$535,500)

Trends in Administration

The Department Administration encompasses 110.5 FTEs, including current vacancies. The chart below lists various State agencies and indicates the percentage of the personnel dedicated to "administration." This is not a perfect comparison since each agency has different functions, however, it does give some indication of the differences in current administrative efforts between Utah state agencies.

Agency	Total FTE Count	Administration FTEs	Percent Administration
Community and Economic Development	320.0	30.00	9.38 percent
Natural Resources	960.0	51.00	5.31 percent
Transportation	1,781.0	141.00	7.92 percent
Workforce Services	2,065.0	150.00	7.26 percent
Corrections	2,217.5	110.05	4.96 percent
Human Services	4405.64	369.55	8.39 percent

As the chart above indicates, Corrections has a very conservative departmental administration staffing profile. There is an indication that the most recent years has seen a decrease in the total administration FTE count. Improvements in the use of technology and a change of management philosophy have managed the expenses of administering the Department.

A review of the administrative budget detail was made identifying major revenue and expenses. Administrative costs have increased an average of 5.94 percent per year for the last three years. The General Fund appropriation has averaged an annual increase of 3.09 percent. This compares with the total appropriated Department of Corrections budget increases in excess of 9 percent per year over the same period. The FTE count has actually been reduced.

3.1a Executive Director's Office**Recommendation**

The Analyst recommends a continuation budget for this program.

	FY 1998	FY 1999	FY 2000	FY 99/00
Financing	Actual	Estimated	Analyst	Difference
General Fund	\$2,092,900	\$1,814,000	\$1,808,000	(\$6,000)
Federal Funds		355,200	8,700	(346,500)
Dedicated Credits	9,000	46,000	39,000	(7,000)
Beginning Nonlapsing	124,900	106,500		(106,500)
Ending Nonlapsing	(155,500)			
Lapsing				
Total	\$2,071,300	\$2,321,700	\$1,855,700	(\$466,000)

Summary

The Executive Director of Corrections has direct administrative responsibility for the entire Department. The director is the Department spokesperson and representative on The Commission for Criminal and Juvenile Justice and interfaces with areas such as the Board of Pardons, Courts, Legislature, etc. He provides the direction for the Department as a whole and establishes major policies and priorities to be implemented by the Department.

The Executive Director is assisted by a Corrections Advisory Council appointed by the Governor.

Internal Auditing

Since the inception of the Bureau of Internal Audit in late 1983, numerous internal audits and other projects have been conducted to assist Department executives and managers in decision- making. Internal auditors perform systematic, objective appraisals of the diverse operations and controls within the Department.

In compliance with Utah Code Annotated 67-13-25, requiring audits of all correctional programs every three years, and Utah Code Annotated 63-91-101, the Utah Internal Audit Act, internal auditors determine whether:

“Financial and operating information is accurate and reliable; risks to the organization are identified and minimized; external laws, regulations and acceptable internal policies and procedures are followed; standards adopted by the organization are met; resources are used efficiently and economically; and legislative and executive mandates, and the organization's objectives are effectively achieved.”

These determinations are made for the purpose of assisting members of the organization in the effective discharge of their responsibility.

The Corrections Investigations Bureau provides services in the areas of:

Criminal conduct by offenders, employees and others
Non-criminal employee misconduct, and
Employee background

This bureau also manages the mandated Sex Offender Registry.

**Information
Technology Bureau**

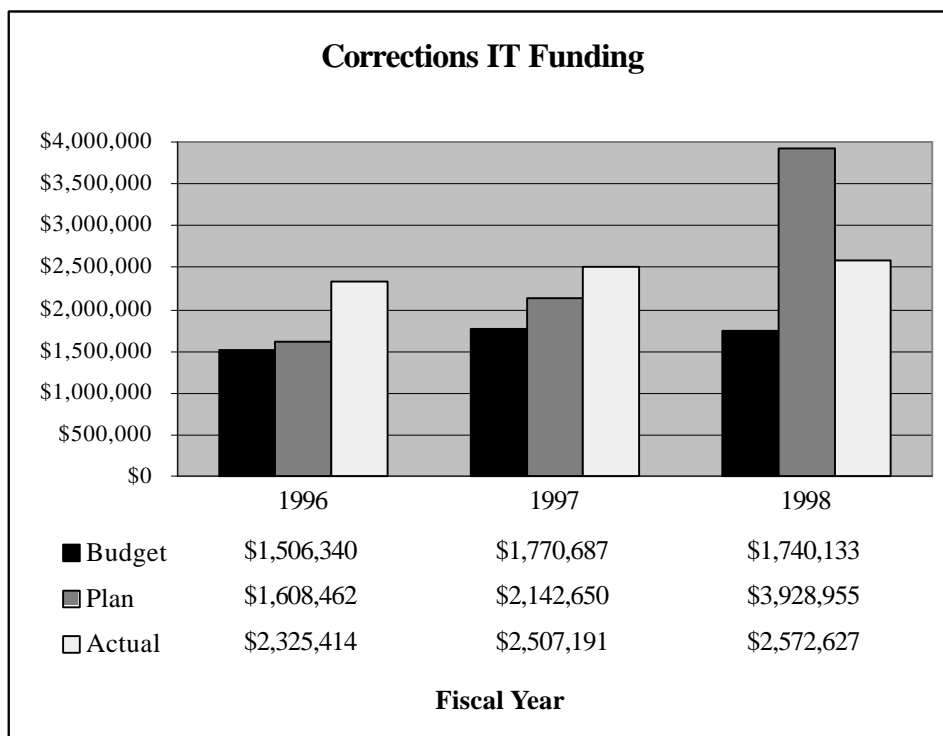
The Information Technology Bureau handles all the departments hardware and software needs.

The Department of Corrections is becoming increasingly reliant on information technology to fulfill its mission. It has undertaken an aggressive initiative to overhaul its record keeping system, is working to automate routine procedures, and must mitigate any two-digit date fields found in its aging COBOL-based systems before January 1, 2000. With so much on its IT plate, thorough IT planning and information sharing should be among the department's highest priorities.

**Planning and budget
schedules out of synch**

The IT planning schedule runs counter to the budget formulation schedule (and the statutes), with new IT plans developed in the spring, at the beginning of a new fiscal year, rather than in the previous fall, when budgets are submitted. For instance, the department's FY 1998 IT plan was produced June 16, 1997, just before the 1998 Fiscal Year, and only slightly amended in October, in anticipation of Legislative session in which FY 1999 appropriations would be determined. Conversely, the department's FY 1998 budget was submitted six months earlier, on December 15, 1996, and updated to reflect appropriations action in June, 1997. As a result, the IT plan appears reactionary, rather than as a forward-leaning, pro-active investment strategy.

In its fall IT plan amendments, the Department of Corrections updates only those projects for which supplemental requests, one-time increases, or building blocks are requested. This approach avoids any pro-active planning for base resources, the largest portion of the IT budget. As a result, the plan cannot be used to accurately analyze departmental appropriations requests prior to the legislative session, as required by law. Therefore, the question remains, does the plan meet its other intended purpose, to act as a work-plan for budgeting and tracking IT expenditures during the fiscal year?



An examination of data from the state financial system (FINET) and the Chief Information Officer's planning database (Envision) for Department of Corrections programs demonstrates that no connection exists between the agency's operating budgets, its IT plans, and its actual expenditures.

This comparison of FINET object level data (including non-routine expenses like software and hardware acquisition, and not including ongoing expenses such as connectivity charges, central computing, and labor costs) and Envision hardware, software, contracting, and other expenses (not including labor), clearly shows that the Department's IT plan has not accurately captured IT costs during each of the last three fiscal years. In fact, in the most recent year, the plan called for more than twice as much as was budgeted.

**600 percent difference
between budget and
plan**

One stark example can be seen in the area of hardware acquisition. In FY 1998 the Department budgeted \$528,000 for new computer processors and peripherals, while its IT plan called for more than \$3 million in new hardware. Corrections actually spent \$1,270,000 on these items, more than twice as much as budgeted, but less than half of what was planned.

Corrections officials explain that each year the Department's overall budget includes contingencies for unplanned events such as escapes. Should such events not occur, Corrections makes contingent funding available for expenditure on IT purchases, among other things. The instability of such funding sources makes IT planning difficult and often renders plans inaccurate.

Departmental managers also acknowledge that the Department's IT plan is more a "wish list" than a financially constrained systems architecture. They explain that the planned project categories are used internally to track spending once plans and budgets are approved, but that Corrections relies more heavily on experience than formal planning in making investment decisions.

While Corrections' plan is a good start, it does not provide sufficient information to support high-level funding decisions by the Legislature or comprehensive IT management by the Executive Branch. The "wishes" included in the plan are an important precursor to requirement generation and project selection, but they must not supplant a financially realistic prioritized investment analysis. The plan should be further subjected to a process which evaluates and ranks projects on their associated costs and benefits, incorporates the results of such analysis into annual funding requests, and in turn reflects budgetary reality in program implementation. In cases where IT projects are dependent upon the availability of contingent funds, Corrections' IT plan should clearly delineate such items from higher-priority projects, identify the funds upon which the items are dependent, and explain the programmatic impact should funds not become available.

**Offender Tracking
System (O-Track)**

The Corrections system has approximately 18,000 active inmates, probationers and parolees and a concomitant number of files for those that have been under their jurisdiction within the recent past. In addition they maintain the ongoing records of ex-felons and sex offenders for future reference. The existing system (OBSCIS) was written in 1970 and is being replaced by a phased project. The Offender Based Tracking System is the mechanism for keeping track of these offenders and all related population projections (such as staffing and bed need).

The growth in Offender population and age of the existing system of tracking Probation and Parole populations require a new system. The existing system needs to be rewritten and upgraded. The Legislature has provided extra funding for those upgrades in previous years. Included in Corrections' IT plan is a new system that will streamline processing of inmates from pre-sentence investigation through parole, and directly interface with Courts, Public Safety, and other primary stake-holders. The Offender Tracking System ("O-Track") will, by February, 1999, replace Corrections' current system, the Offender Based Statistical Comparison Information System (OBSCIS), at a contract cost of \$3.7 million plus as much as \$1.2 million for in-house labor costs. Measured against its baseline schedule and cost estimates, O-Track is currently on schedule, but as much as \$1.6 million over cost.

**Unanticipated
enhancements cost \$1.6
million**

As part of the spiral development process, Informix and Corrections host "Joint Application Development" (JAD) sessions once every six weeks. During the JAD sessions, Corrections employees make recommendations on how to improve the functionality of the system. This evolutionary development approach has led the O-Track team to accommodate a number of user requests not initially anticipated in the Informix bid. In the Field Operations module, for example, the team has included caseload management for agents and an audit function for supervisors, both of which improve administration, but are not directly linked to inmates and were not envisioned in Informix's original bid. According to team members, \$1.6 million in such

enhancements had been requested by users, and approved by managers, as of May, 1998.

**Productivity has
exceeded expectations**

Corrections employed an innovative method in acquiring O-Track. Rather than dictating detailed specification to potential contractors, Corrections published functional requirements, leaving it to vendors to determine the most effective and efficient path for realizing desired outcomes. The result was a contract with Informix that uses a technique known as “spiral development” in which the vendor divides the system into modules, works with users to identify requirements for a module, then builds, tests, presents, and refines the module to user specifications before repeating the process with the next module. Under the spiral development rubric, Corrections managers have considerable flexibility to modify the system without incurring change penalties.

With this approach in mind, the O-Track development team also prepared a project plan that contains traditional milestones and units of work to facilitate measurement of progress and productivity, but does not bind either Informix or Corrections. The team’s plan estimated total cost and schedule targets based on a presumed number of screens and tables required for each module, and the number of labor hours required to produce such. Developers originally estimated productivity in the range of six days per screen, but surpassed this target within three months of the project. Nevertheless, the team’s baseline assumptions are useful in determining O-Track’s status for a given Corrections officials expect that these enhancements added to early modules will serve functions anticipated for future modules. Further, Informix’s productivity has exceeded expectation. As a result, officials say, the additional early effort will be wholly offset by future savings. The officials also point out that the Informix contract terms are broad enough that Corrections can declare all requirements met once costs reach the projected \$3.7 million. However, should the remainder of the O-Track team’s baseline estimates prove accurate, these enhancements will increase the cost of the Informix contract. Even given productivity improvements, should the forthcoming Prisons module, the largest piece of O-Track, require a level of effort similar to that experienced in the I-Track (Institutional Operations) and F-Track (Field Operations) modules, Corrections can expect a cost overrun of at least \$1.6 million.

Beyond the contracted portion of O-Track, Corrections has planned a large implementation role for its staff. In-house Corrections personnel will perform data conversion, provide training, and write user manuals, according to the plan. However, budgetary constraints have kept Corrections from hiring the additional personnel required to perform these tasks. The Department also foresees ongoing needs for systems maintenance funding, beginning with \$235,000 in FY 1999.

The Fiscal Analyst believes that these funding shortfalls can be addressed through an innovative financing mechanism pursued by Corrections. The Department has effectively sold O-Track to other states in exchange for hours of programming credit from contractor Informix. Corrections has already extended rights to the system to New Mexico and Alaska for the equivalent of \$1 million. Demand for the system is likely to increase in the next few years, given the fact that many states are desperate to replace aging, millennium plagued corrections systems.

Recommendation

The Analyst recommends that the Utah Department of Corrections fund remaining development work on the Offender Tracking System (O-Track) using contractor consulting credits earned as a result of the system's sale to other states. Correspondingly, the Analyst recommends an on-going base funding reduction of \$400,000.

	FY 1998	FY 1999	FY 2000
Financing	Actual	Estimated	Analyst
General Fund	\$400,000	\$400,000	
General Fund (One-time)		400,000	
Dedicated Credits			\$1,050,000
Beginning Nonlapsing	200,000	122,200	
Ending Nonlapsing	(122,200)		
Transfer		77,800	
Total	\$477,800	\$1,000,000	\$1,050,000

Consulting credits are more than sufficient to fund Corrections' requested base level of \$800,000 for O-Track and leave \$250,000 that could be used for system maintenance in FY 2001. An additional \$550,000 appropriation for O-Track related Millennium Bug (Y2K) expenses is included in a separate recommendation. Should Corrections not receive sufficient programming credit in FY 2000, the agency has at its disposal more than \$1 million in FY 1999 funds for "computers and improvements" that it has asked to non-lapse. These funds could be spent on O-Track.

Year 2000 Mitigation

In addition to the amount spent to replace non-compliant systems with O-Track, Corrections estimates the cost of Year 2000 mitigation in FY 1999 at \$103,000, representing a 14 percent increase over its FY 1998 costs of \$90,000. In total, Corrections plans to spend \$3.4 million on Y2K system replacement and \$199,000 on renovation activities. Given the importance of the task at hand, and the immovable nature of its deadline, Corrections must make the remediation of two-digit date fields its highest priority.

The Year 2000 – or Y2K – bug is linked to efficiency measures instituted by computer programmers. In an attempt to save valuable memory, early programmers, believing their work had a limited life-span, used two- rather than four-digit fields to identify centuries – "98" instead of "1998". When systems employing this technique reach the millennium, two-digit date fields will show "00", making it difficult for computers to differentiate between 1900 and 2000.

The largest Y2K issue identified by Corrections relates to its current inmate tracking and accounting systems. These systems run on dated Wang hardware and/or are written in COBOL, a language that frequently used two-digit date fields. When these systems are replaced by O-Track, this Y2K problem will be moot. However, replacement faces the O-Track implementation obstacles mentioned above. Should the systems remain in service beyond 1999, Corrections will have to convert the system's

two-digit date fields to four-digits, requiring 256 labor hours and \$12,000 to \$25,000 in additional funding.

The Department must also need to replace numerous embedded systems or “firmware”. These micro-processors incorporated in mechanical devices like locks, valves, and switches, run on their own internal code – code which may contain two-digit date fields. Should these devices rely on date calculations to function properly, they may fail on January 1, 2000.

In its October report to the state Y2K coordinator, Corrections noted that 8 of its 11 mission-critical systems were 100 percent compliant. Two of the remaining systems, OBSCIS and Inmate Master were 80 and 90 percent renovated, respectively. The Inmate Accounting system, however, will not be renovated and must be replaced by O-Track. Of 47 embedded systems included in the Department’s assessment, 13 are non-compliant and must be replaced.

Corrections will likely replace commercial hardware and software, including 386 based processors and Windows 3 generation operating systems, before December 31, 1998.

Corrections is making progress on replacing at-risk administrative systems and desk-top hardware and software, but it must redouble its efforts to eliminate risk of failure in Inmate Accounting and mission critical firmware. The Department should make Y2K its highest IT priority in the coming months, especially as it relates to embedded processors in its correctional facilities.

Staffing Levels in Human Resources

The State Department of Human Resource Management evaluated the human resource staffing levels appropriate in state government. The Human Resource Staffing Level Report, dated June 30, 1995 documents that the appropriate human resource staffing level in state government is one HR technician for every 100 employees. The Utah State average is .82 HR technicians for every 100 employees. The Department of Corrections is less than the general recommended staffing level but slightly above the State actual average at .879 HR technicians per 100 employees. The difference is not statistically significant.

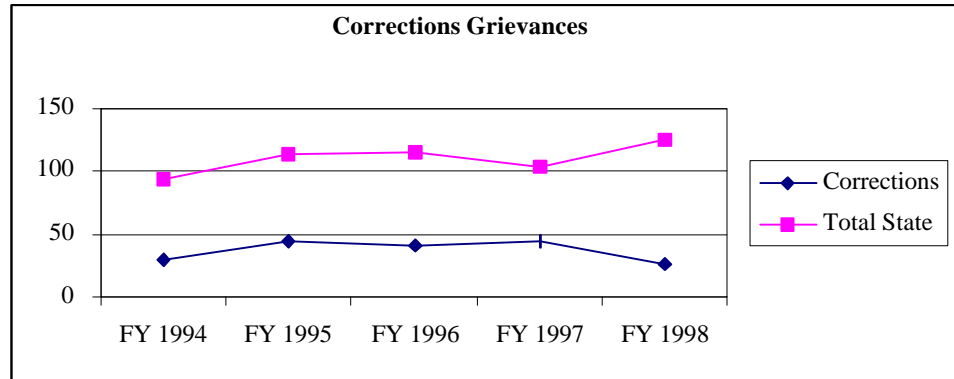
Grievances

The number of grievances brought before the Career Service Review Board is often an indicator of employee moral and Department efficiency. The Utah Department of Corrections has historically had the most grievances of all State agencies. This may be the nature of the Department, a symptom of the working conditions, or just the type of work involved.

There has, however, been a significant reduction in the number of grievances brought to the Career Service Review Board during the last fiscal year. The number of new cases has dropped by almost 50 percent. Statistics so far for FY 1999 indicate that this downward shift in the number of grievances is continuing. The reduction in the number of grievances filed mirrors the change of Department management. Management philosophy and administration seems to have improved employee relations. Even

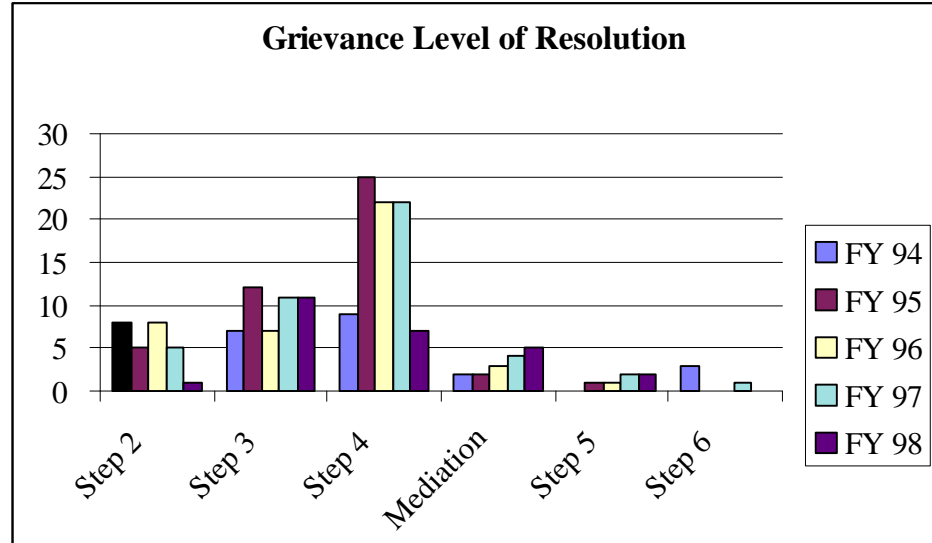
though the State's total number of grievances increased in FY 1998, the Department of Corrections number was reduced by 50 percent.

The graph below details the statistical indicators



In addition to reducing the number of grievances there appears to be a trend to resolve grievance filings earlier in the administrative process.

The following graph displays the resolution step level at which the grievances have been resolved.



Finances

The Financial Service Bureau processes more than 300,000 documents in a year. These include: Department payroll and leave accounting, expenditure and revenue accounting, purchasing coordination, and annual budget documents preparation. This office is responsible for disbursing payrolls annually, covering approximately 12

percent of all State employees (approximately 2,300).

3.1b Administrative Services

Recommendation

The Analyst recommends a continuation budget for this Division.

	FY 1998	FY 1999	FY 2000	FY 99/00
Financing	Actual	Estimated	Analyst	Difference
General Fund	\$5,074,800	\$5,917,800	\$5,728,200	(\$189,600)
Dedicated Credits	16,500	31,000	37,000	6,000
Transfers	294,800			
Beginning Nonlapsing	200,000	200,000	150,000	(50,000)
Ending Nonlapsing	(141,600)	(150,000)		150,000
Lapsing				
Total	\$5,444,500	\$5,998,800	\$5,915,200	\$83,600

Summary

Administrative Services has been responsible for the Department facilities' construction, planning and research, contracts and records, professional standards and ethics, Community Relations, and training (shown by the Analyst as a separate budget).

Performance Measures

The Planning and Research Bureau provides the data and planning analysis of statistical data required for Department wide policy, planning, and programming decisions.

The consultant study ordered by the Legislature several years ago included a recommendation that this bureau be given... "responsibility for tracking UDC's Classification decision-making and provide periodic reports..." The classification of inmates can cause inordinate costs increases through upgraded facility designs and operational costs.

Due to the present rate of growth of the Corrections system and demand for the very specialized facilities used for confinement of offenders, the Division has a Facilities and Construction Bureau. This bureau coordinates with DFCM and other technical input and review for all related projects and construction.

The Records Bureau is responsible for Department Total Quality Management (TQM) programs and both internal and external records systems and issues coordination.

Office of Professional Services is responsible for Government Records Management Act (GRAMA) requests and obtaining contract services. Over 350 GRAMA requests were answered last year.

3.1c Training

Recommendation

The Analyst recommends a continuation budget for the Training Bureau.

	FY 1998	FY 1999	FY 2000	FY 99/00
Financing	Actual	Estimated	Analyst	Difference
General Fund	\$671,200	\$653,900	\$648,000	(\$5,900)
Dedicated Credits	31,700	44,000	64,000	20,000
Ending Nonlapsing Lapsing	(9,400)			
Total	\$693,500	\$697,900	\$712,000	\$14,100

Intent

The Analyst continues to suggest that the Public Safety (POST) and Corrections training should be consolidated and collocated to accomplish the economies of a single records and admissions office, a single audio video facility, common classroom, range, and gym use, etc. In previous years both the Department of Corrections and the Department of Public Safety have studied consolidation of their several training programs at one site. The State Building Board affirmed the potential savings and allocated \$111,900 for the program and design of a consolidated facility.

No such facility has been approved or built as of this time, however, there has been an increasing cooperation between the agencies in training programs.

Programs

Centered on the Fred House Academy facility in Draper, the training unit provides:

- ▶ Preservice academy program
- ▶ The Conversion Academy trains correctional officers to operate as police officers (the equivalent of POST certification).
- ▶ Basic supervision courses
- ▶ An Advanced Supervisor course
- ▶ Inservice classes
- ▶ Special courses: Example are: Blood-borne Pathogens, Government Records Management Act (GRAMA), Americans with Disabilities Act, etc.

**Auditor's
Observations**

The Legislative Auditor General found that the Department spends, without remuneration, 27 percent of it's training expenditures for officers employed by county jails. In 1997 this is the equivalent to \$320,000 of the training budget. They also noted that the privately contracted facility, Promontory at Draper, has been undercharged between \$7,000 and \$18,000 (1997). The degree to which the Legislature wishes to continue this form of subsidization to the county sheriff's jail departments and private prison contractors is a matter for subcommittee review and policy decision.

3.2 Field Operations Division

Field Operations Division includes Adult Probation and Parole, and Community Correctional Centers. With approximately 24 percent of the FTE resources the Division oversees more than 75 percent of those under department supervision.

Financing

	FY 1998	FY 1999	FY 2000	FY 99/00
Financing	Actual	Estimated	Analyst	Difference
General Fund	\$28,666,200	\$30,542,400	\$30,475,500	(\$66,900)
Federal Funds	(9,400)	266,000	266,000	
Dedicated Credits	1,551,700	2,055,900	2,547,000	491,100
Transfers	195,700			
Beginning Nonlapsing	1,555,800	456,500	225,000	(231,500)
Ending Nonlapsing	(456,500)	(225,000)		225,000
Lapsing				
Total	\$31,503,500	\$33,095,800	\$33,513,500	\$417,700
Programs				
Administration	\$1,010,600	\$896,500	\$815,700	(\$80,800)
Adult Probation and Parole	22,893,000	24,368,300	24,887,600	519,300
Community Corrections Centers	7,599,900	7,831,000	7,810,200	(20,800)
Total	\$31,503,500	\$33,095,800	\$33,513,500	\$417,700

Summary

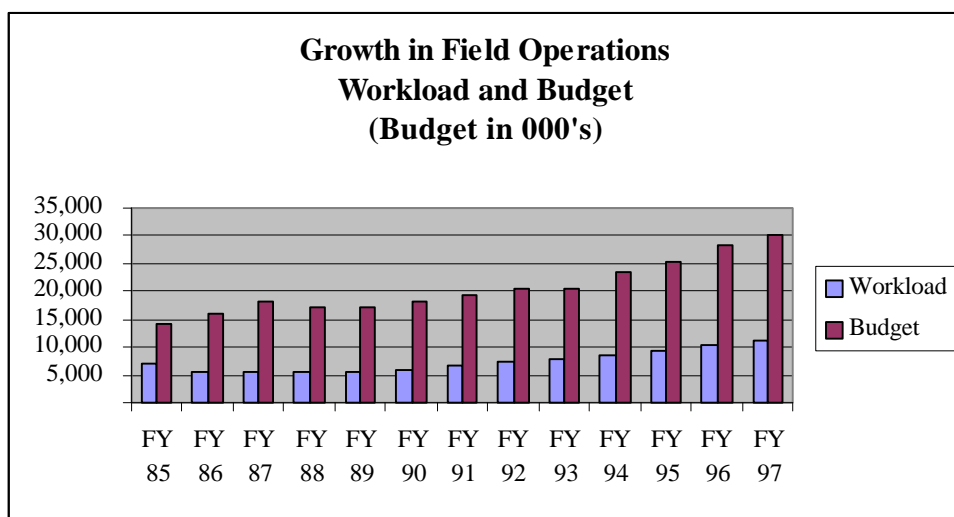
Field Operations was created as a separate entity within the Department in 1983 and fulfills the requirements of the corrections' statute for presentence investigations and community supervision. The Field Operations program is responsible for: 1) Pre-sentence Investigations, 2) Adult Probation and Parole and 3) Community Correction Centers (half-way houses).

Increase Public Safety by Reducing Recidivism

One of the truisms of corrections is that everyone that goes in, also comes out of prison and back to our communities. Field Operations' job is to see that they don't go back to their old problems but on to productive lives. Changing their lives is better for the parolee and cheaper than prisons. Approaches vary from a strict law enforcement model where parolees are on their own and sent back to prison at the slightest infraction, to the human resources model where authorities work with the parolees to change their lives and tolerate some infractions. In recent years Utah has mostly followed the law enforcement model but the current administration is moving towards a balanced approach.

Concurrent with the new approach to corrections policy in general, the new Executive Director has begun a process to better analyze and document the relative effectiveness of the various programs. The ultimate measure of many of these programs will be a longitudinal study of recidivism. In the past, programs were started and ended without an analytic component or valid measure of effectiveness.

Probation and parole supervision are the foundation of the division, but, the budgets and staffing for Field Operations have not kept up with the growth.



With Field Operations budgets not rising fast enough to keep up with prison construction and parole and releases the variable that has to give is the amount of time spent in supervision. The Division has implemented two ideas that have increased supervision time. They have contracted out Pre-sentence Investigations to retired officers on a per investigation basis and assigned clerical staff to take care of routine court liaison duties.

Recommendation

The Analyst recommends continued implementation of these policies. The Department of Human Resource Management will need to determine if clerical staff needs reclassification.

3.2a Field Operations Division Administration

Recommendation The Analyst is recommending a continuation budget for this program.

	FY 1998	FY 1999	FY 2000	FY 99/00
Financing	Actual	Estimated	Analyst	Difference
General Fund	\$941,900	\$863,000	\$788,700	(\$74,300)
Dedicated Credits	300	2,000	2,000	
Beginning Nonlapsing		56,500	25,000	(31,500)
Ending Nonlapsing	68,400	(25,000)		25,000
Lapsing				
Total	\$1,010,600	\$896,500	\$815,700	(\$80,800)

Summary Field Operations consists of seven geographical regions, 16 Probation and Parole field offices. Contracted services private providers in the areas of: mental health, sex offender treatment, assessment and psychotherapy, alcohol and drug addiction, and electronic monitoring.

Pre-sentence Reports adding workload Probation and Parole provides the courts with pre-sentence reports prior to sentencing. These reports, covering the offender's family, employment, education, substance abuse, criminal history, medical and psychological situation, etc., are accompanied with a recommendation for the court's action. At the time of sentencing the court may order a 90-day diagnostic evaluation. After sentencing, offenders may be under probation supervision or, following a term in prison, under parole supervision.

Following actual sentencing this report becomes the basis of an offender's file for both Institutional Operations and Probation and Parole Service. The demand for pre-sentence reports is increasing. To accommodate the increasing workload and to keep officers in the field, the Department is contracting with qualified outside officers for pre-sentence reports on a per report basis. Last session the Legislature partially funded these contracts with \$400,000 in General Fund and \$200,000 in supervision fees.

Supervision Fee Beginning September 1, 1993 probationers and parolees began paying a \$30.00 per month supervision fee. The revenue from this source goes into a fund for offender supervision programs. The history of these revenues is shown below:

	Rate	FY 1994	FY 1995	FY 1996	FY 1997	FY 1998	Est. FY 1999
Parole/Prob Fees	\$30.00	\$9,623	\$194,694	\$440,863	\$628,177	\$1,017,887	\$1,326,500
Home Confinement Fees	10.00			3,755	9,793	(1,830)	18,000
Total		\$9,623	\$194,694	\$444,618	\$637,970	\$1,016,057	\$1,344,500

Recommendation The Analyst recommends that increased supervision fees be used to fully fund pre-

sentence report contracting division wide. The Analyst also recommends that the fees be adjusted annually to the Consumer Price Index while recognizing that this would require a statutory change (Section 64-13-21(1)(b) UCA.

Contract services to extend officer's coverage

The Analyst recommends \$288,000 to provide additional contract service hours for pre-sentence reports so as to relieve AP & P agents for more in the field supervision of offenders.

Recommended: \$288,000 in Dedicated Credits

Some workload increases caused by courts

The workload increases in this division are driven by increased levels of activity in the courts and increased convictions resulting in probation and parole population growth (which impacts both the agent staff and the centers). Virtually every offender sentenced to prison will transition through some period of parole on release.

Over Use of On-call and Overtime

To offset workload demand, on-call time and overtime are widely used and have become an expected supplement to low wages. The Analyst recommends that the Department review existing policies and practices to keep on-call time rotated and limited to those few employees where immediate response is required.

Vehicle

This Division operates over 100 vehicles, most of which are approved for commuter use and unmarked. The Analyst recognizes the unique role that the Adult Probation and Parole officers play and generally supports the need for these uses.

3.2b Adult Probation and Parole

Recommendation

The Analyst recommends a continuation budget.

	FY 1998	FY 1999	FY 2000	FY 99/00
Financing	Actual	Estimated	Analyst	Difference
General Fund	\$21,261,900	\$22,969,600	\$22,989,200	\$19,600
Federal Funds	(9,400)	266,000	266,000	
Dedicated Credits	553,400	932,700	1,432,400	499,700
Transfers	195,700			
Beginning Nonlapsing	1,416,300	400,000	200,000	(200,000)
Ending Nonlapsing	(524,900)	(200,000)		200,000
Lapsing				
Total	\$22,893,000	\$24,368,300	\$24,887,600	\$519,300

Presentence Reports adding workload

Prior to sentencing a pre-sentencing report is provided to the court. At the time of sentencing the court may order a 90-day diagnostic evaluation. Following the sentencing period, the offender may be under probation supervision or, following a term in prison, under parole supervision. There is an ever increasing workload on Adult Probation and Parole driven by court requirements for presentence investigating

and related reports. Contracting with qualified officers for pre-sentence reports for the courts free full-time agents to direct supervision duties.

Costs for conversion to 800 MHZ emergency radio system

The new national radio frequency band for emergency services is in the 800 MHZ portion of the spectrum. Law enforcement and emergency services agencies throughout the country are converting to the new standard. In Utah a new entity, The Utah Communications Agency Network (UCAN), was created to coordinate and become the service provider for this system has been specially created under Section 63C-7-101 to 63C-7-306 UCA),

According to UCAN's plan, the network will cover Davis, Morgan, Salt Lake, Summit, Tooele, Utah, Wasatch, and Weber counties, thus serving about 80% of the state's population. Local entities in each of the above mentioned counties will use the network, with the exception of Salt Lake City and Salt Lake County, which have opted to build separate networks. Network infrastructure, not including radios and dispatch consoles, will be built under contract to be financed with \$6-\$8 million in Federal grants as well as monthly service fees of \$30 per radio for State agencies and about \$17.50 per radio for local governments. Phase 1 will be implemented over a three-year period with about 25% of projected radio equipment to be in place the first year.

Delays in negotiation with local governments will push the system's in-service date, planned for July, 1999, to January, 2000. As mentioned above, Salt Lake County, which UCAN had originally anticipated would participate in the system, will build a separate network.

Recommendation: The One-time costs of \$146,800 in General Fund

When combined with resources provided by the FY 1999 appropriations act, and with FY 2000 on-going base funds, the recommended level will allow Corrections to purchase the number of radios envisioned in year one of UCAN's implementation plan as well as pay for six-months of operations beginning in January, 2000.

Staffing Shortages

Historical data shows an alarming growth in the workload in Probation and Parole populations that will continue into the next century. The growth in Probation and Parole populations justify additional agents to maintain the safety levels expected by the public. Currently 203.7 FTE agents are tracking approximately 13,000 probationers and parolees. This equates to 63.8 offenders per officer. Where supervision of the least serious probation offenders can be tracked at these staffing levels the most intense supervision needed for the most violent offenders should be at a level of approximately 15 per agent. Under existing staffing this is not always possible. To help cover the demand supervision resources are being changed to integrated teams of officers (in the more urban areas only) who oversee a full spectrum of offenders. This helps cover the volume of offenders, but, will lead to officer burnout at the current rates of probation and parole growth without additional supervision resources. Due to budgetary constraints the Analyst could not recommend additional agents.

The following tables are a partial profile of the probation and parole offenders on supervision:

Adult Correction Statistics
“Snapshot” of Probationers, December 7, 1998

	Male #	Female #		Male #	Female #
Veteran Status			Age		
Veteran	622	9	Under 18	14	2
Non-Veteran	6,204	1,945	18-19	381	52
Active	34	0	20-24	2,300	449
Reserve	90	3	25-29	1,483	434
Other	12	1	30-34	1,116	401
Unknown	769	199	35-39	1,040	428
Last Grade Comp.			40-44	691	237
1-6	69	7	45-49	363	93
7-11	3,474	965	50-54	185	35
12	3,179	882	55-59	77	20
12+	912	284	60-64	34	4
Unknown	97	19	65 and over	46	2
Citizenship			Marital Status		
U.S. Citizen	7,122	2,038	Never Married	3,438	554
Non U.S. Citizen	183	11	Married	1,532	501
Unknown	426	108	Separated	607	299
Race			Divorced	1,233	545
White	5,968	1,758	Common Law	300	77
Hispanic	779	145	Widowed	34	38
Black	249	70	Unknown	587	143
Native American	231	55	Number of Arrests		
Asian	159	27	1-5	4,747	1,461
Unknown	345	102	6-10	1,405	275
Religion			11-15	449	90
LDS	2,816	744	16-20	176	25
Catholic	764	179	Over 20	140	12
Protestant	565	180	Unknown	814	294
Other	303	84	# of Incarcerations		
None	1,652	473	0	7,320	2,096
Unknown	1,631	497	1	268	47
			2-4	126	12
			5-7	12	2
			8+	5	0

Adult Correction Statistics
Snapshot” of Probationers, December 7, 1998
(2)

	Male #	Female #		Male #	Female #
# of Convictions			Degree of Crime		
1-5	4,996	1,502	First Degree	65	6
6-10	874	150	Second Degree	1,027	247
11-15	204	30	Third Degree	3,955	1,266
16-20	49	8	Compact	362	92
Over 20	25	21	Class A Misdemeanor	1,842	452
Unknown	1,583	446	Class B Misdemeanor	436	77
			Class C Misdemeanor	3	2
			Unknown	41	15

Adult Corrections Statistics
“Snapshot” of Parolees, December 7, 1998

	Male #	Female #		Male #	Female #
Veteran Status			Age		
Veteran	419	3	Under 18	1	0
Non-Veteran	2,762	359	18-19	15	0
Active	20	0	20-24	444	40
Reserve	42	2	25-29	720	74
Other	8	0	30-34	679	90
Unknown	142	22	35-39	642	86
Last Grade Comp.			40-44	418	60
1-6	185	6	45-49	235	22
7-11	1,532	209	50-54	119	7
12	1,290	135	55-59	57	5
12+	366	35	60-64	31	1
Unknown	20	1	65 and over	32	1
Citizenship			Marital Status		
U.S. Citizen	2,983	373	Never Married	1,449	101
Non U.S. Citizen	374	5	Married	640	89
Unknown	36	8	Separated	175	50
Race			Divorced	919	108
White	2,293	295	Common Law	154	17
Hispanic	708	58	Widowed	15	9
Black	213	14	Unknown	41	12
Native American	81	9	Number of Arrests		
Asian	57	3	1-5	1,401	194
Unknown	41	7	6-10	838	92
Religion			11-15	419	40
LDS	1,017	113	16-20	231	16
Catholic	703	57	Over 20	293	15
Protestant	401	54	Unknown	211	29
Other	302	22	# of Incarcerations		
None	821	103	1	2,579	114
Unknown	149	37	2-4	555	30
			5-7	32	2
			8+	23	1
			Unknown	204	239

Adult Corrections Statistics
“Snapshot” of Parolees, December 23, 1997
(2)

	Male #	Female #		Male #	Female #
# of Convictions			Degree of Crime		
1-5	2,102	244	Capital	3	1
6-10	792	74	First Degree	269	12
11-15	237	19	Second Degree	1,319	133
16-20	96	4	Third Degree	1,667	221
Over 20	78	2	Compact	106	17
Unknown	88	43	Misdemeanor	23	2
			Unknown	6	0

3.2c Community Corrections Centers

Recommendation

The organization of the Division includes Community Corrections Centers within the various regions. The Analyst chooses to show the Centers as a separate program so as to highlight the operations and related costs of these resident and non-resident facilities. The Analyst is recommending a continuation budget for the existing centers.

	FY 1998	FY 1999	FY 2000	FY 99/00
Financing	Actual	Estimated	Analyst	Difference
General Fund	\$6,462,400	\$6,709,800	\$6,697,600	(\$12,200)
Dedicated Credits	998,000	1,121,200	1,112,600	(8,600)
Beginning Nonlapsing	139,500			
Ending Nonlapsing				
Lapsing				
Total	\$7,599,900	\$7,831,000	\$7,810,200	(\$20,800)

Community Corrections Centers (CCC)

The Community Corrections' Centers facilitate the transition from prison to the community. The first center was established more than 13 years ago, in September 1970, and closed in July 1985. Since then, additional centers have been established.

The Division operates Community Correction Centers (half-way houses) and Day Reporting Centers. There are four CCCs, three in the Salt Lake Valley and one in Ogden. There is a Day Reporting Center in Salt Lake and one in Ogden. CCCs require parolees to have a job, pay for part of their costs, receive training and therapy, and be in residence. Day reporting centers are similar but have no residence requirement.

Currently there are not enough beds for temporarily indigent probationers and parolees. There are no centers in the state south of 2100 South in Salt Lake. The appropriations subcommittee has encouraged the Department to establish a Community Corrections Center in the southern part of the state but the Department has been unable to locate such a facility.

Recommendation

The Analyst recommends that, subject to funding availability, the state establish Community Corrections Centers in Utah and Washington counties and consider privatizing their operation.

Women's Community Correctional Center

The women's prison is at capacity and the previous Woman's Community Corrections Center was inadequate in both capacity and standards. The subcommittee, recognizing a growing liability to the state, included funds to plan the move of the center to a larger (leased) location and expand both bed capacity and program offerings accordingly. Since then, the Department has closed the former women's center and moved women into the Orange street and Northern Utah facilities.

The subcommittee should hear a status report on what happened to the funds provided

for expansion and relocation specifically provided for a women's half way house.

Performance Measures

Overall the Centers provide housing and services for more than 1,000 clients annually. The supervision continuum ranges from 24-hour lockup to light supervision. General services to the residents include intake and career development, job placement, and reintegration and linkage with community resources.

3.3 Institutional Operations

The Division of Institutional Operations manages the inmate population of the system

	FY 1998	FY 1999	FY 2000	FY 99/00
Financing	Actual	Estimated	Analyst	Difference
General Fund	\$72,435,700	\$79,274,400	\$79,201,900	(\$72,500)
Federal Funds	1,555,700	1,496,000	1,449,600	(46,400)
Dedicated Credits	515,000	1,006,400	610,600	(395,800)
Transfers	328,500	619,700	119,700	
Beginning Nonlapsing	427,200	1,641,200	550,000	(1,091,200)
Ending Nonlapsing	(1,641,200)	(550,000)		
Lapsing				
Total	\$75,575,500	\$83,487,700	\$81,931,800	(\$1,555,900)
Programs				
Draper	\$46,626,800	\$46,233,700	\$46,047,500	(\$186,200)
Commissary	60,500			
Gunnison	14,875,200	18,357,300	18,304,300	(53,000)
Iron County	1,462,800	1,458,600	1,457,900	(700)
Camp Williams	1,684,700	2,124,200	2,122,500	(1,700)
Pre-release Center	6,455,600	6,468,900	6,460,500	(8,400)
Administrative Services		3,504,600	3,251,200	(253,400)
Division Admin.	4,409,900	3,450,400	2,397,900	(1,052,500)
Privatized Facility		1,890,000	1,890,000	
Total	\$75,575,500	\$83,487,700	\$81,931,800	(\$1,555,900)

It is the Division that demands the most expensive facilities and over half of all department employees while supervising approximately 5,400 inmates in three separate state facilities and under contract in other locations. This represents an average cost of approximately \$20,000 per year, per inmate.

Summary

The Division of Institutional Operations includes the prisons and support facilities related to prison operations. Included in these programs are all services to and for inmates. This line item is broken down into the following budgeted programs:

- ▶ Division Administration
- ▶ Draper Prison
- ▶ Commissary
- ▶ Central Utah Prison (Gunnison)
- ▶ Iron County Prison (Cedar City)
- ▶ Camp Williams
- ▶ Promontory Pre-release/Violators Centers
- ▶ Privatized Facility

There is a constant shortage of inmate housing

The prisons are operating at or above operational capacity and can exceed the threshold for emergency release (64-13-38 UCA) for periods short of the statutory 45 days. How to manage the growing bed demand in the light of the current “get tough on crime” trend will be one of the most challenging problems facing the subcommittee. As noted earlier, there is an annual net increase of approximately 500 inmates. This constant pressure to provide an ever increasing number of “beds” in the institutional arm of the Department severely limits resources available for programming and other aspects of the Division’s Mission.

The proper mix of beds

The Legislature commissioned an independent study (Carter-Gobel and Associates) that affirmed the current estimates of prison growth in Utah. They also affirm the Analyst’s assertion that the State has been inappropriately building to a higher security standard than is required.

Current Department of Corrections Facility trends

The current administration of the DOC is moving in a direction consistent with the 1995 CGA study recommendations. In addition, many of the concerns expressed by the Legislative Fiscal Analyst in a June 1997 report to the Executive Appropriation Committee entitled Prison Construction Costs are being addressed.

The following table reflects the correctional facilities constructed or funded since 1995:

Correction Construction Costs (exclusive of land)

Facility	Year Comp	Const. Time (from bid)	No. of Beds	Bed Type	Cost per Bed	Costs escalated to 1/1/99
Pre-Release/Parole Violators	1995	14 mo's	400	Min. Dorms	\$17,936	\$25,729
No. Utah Comm. Corr. Fac	1996	24 mo's	150	Min.w/cells	\$37,105	\$55,768
Draper - Uinta IV	1996	21 mo's	192	Med./Max	\$37,186	\$52,060
Draper - Uinta IVA	1997	14 mo's	192	Med./Max	\$46,067	\$59,403
Gunnison - CUCF I	1997	13.5 mo's	192	Med./Max	\$46,277	\$57,939
Gunnison - CUCF II *	1998	13 mo's	288	Min./Med Dorms	\$38,651	\$38,651
Total Beds 1,414						
* Funded in 1998 - Estimated completion 10/1/99. Per bed cost does not include the sewer lagoon or the UCI building which were part of the 1998 funding (FY 99).						

From the table, it is noted that the most recently funded facility is for 288 dormitory beds at Gunnison. The cost differential between the previous Gunnison project and the newest facility is significant. In addition, it is noted that as the number of beds increase, the cost per bed decreases.

Recommendation

The Analyst recommends that the subcommittee discuss the various housing options available in the context of the corrections philosophy desired and then act on the budgets.

**Lower cost facilities
for some of the
Incarcerated
population.**

At least one-third of the prisoners at the Draper Penitentiary can be classed as nonviolent. Such inmates are being housed and fed in our prisons ostensibly to protect the general public. However, at a cost of \$60,000 per bed to build a maximum security cell and approximately \$23,000 per bed for annual operations and maintenance are financially inappropriate expenditures for felons who:

- ▶ are not violent, and
- ▶ can be successfully managed and controlled in a less expensive setting.

The Legislative study, referred to earlier, indirectly supports this view. Utah builds to a higher standard than required for a given population to gain “flexibility” and thereby gives up economy.

A “Snapshot/profile” of the inmates in custody as of December 8, 1998 shows the following composition:

Adult Corrections Statistics
“Snapshot” of Inmates, December 8,1998

	Male #	Female #		Male #	Female #
Veteran Status			Age		
Veteran	522	1	Under 18	12	1
Non-Veteran	3,612	263	18-19	136	2
Active	18	0	20-24	784	25
Reserve	40	0	25-29	799	68
Unknown	197	12	30-34	675	61
Last Grade Comp.			35-39	760	65
1-6	134	3	40-44	538	35
7-11	2,116	149	45-49	305	11
12	1,570	99	50-54	180	4
12+	470	22	55-59	110	2
Unknown	99	3	60-64	53	0
Citizenship			65 and over	37	2
U.S. Citizen	4,091	273	Marital Status		
Non U.S. Citizen	246	2	Never Married	1,961	71
Unknown	52	1	Married	829	52
Race			Separated	228	35
White	2,938	210	Divorced	1,075	93
Hispanic	806	33	Common Law	169	19
Black	339	22	Widowed	61	3
Native American	139	8	Unknown	66	3
Asian	109	3	Number of Arrests		
Unknown	58	0	1-5	2,047	137
Religion			6-10	1,035	61
LDS	1,410	78	11-15	536	35
Catholic	792	46	16-20	235	12
Protestant	523	39	Over 20	359	18
Other	427	11	Unknown	117	13
None	1,029	67	# of Incarcerations		
Unknown	208	35	1	2,975	52
			2-4	885	22
			5-7	85	1
			8+	12	0
			Unknown	432	201

Adult Corrections Statistics
“Snapshot” of Inmates, December 23,1997
(2)

	Male #	Female #		Male #	Female #
# of Convictions			Degree of Crime		
1-5	2,713	188	Capital	75	1
6-10	995	40	First Degree	937	20
11-15	329	13	Second Degree	1,655	79
16-20	109	6	Third Degree	1,641	169
Over 20	95	3	Compact	34	4
Unknown	148	26	Misdemeanor	46	3
			Unknown	1	0

Education Programs

From the inmate snapshot data it is apparent that 50 percent of the population have not finished high school and over 3 percent that have not finished sixth grade. The State of Utah provides educational services to inmates incarcerated in the State's prison system. Higher Education Institutions, Applied Technology Centers and Applied Technology Center Service Regions, and local school districts participate in providing this education and training.

Statutory Provisions

The current statutory provisions governing corrections education enacted by the Legislature during the 1992 Legislative Session under House Bill 28 are as follows:

53A-1-403.5. Education of persons in custody of Department of Corrections – Contracting for services – Recidivism reduction plan – Collaboration among state agencies – Annual report.

- (1) The State Board of Education and the State Board of Regents, subject to legislative appropriation, are responsible for the education of persons in the custody of the Department of Corrections.
- (2) In order to fulfill this responsibility, the boards shall, where feasible, contract with appropriate private or public agencies to provide educational and related administrative services.
- (3) (a) As its corrections education program, the boards shall develop and implement a recidivism reduction plan, including the following components:
 - (i) inmate assessment;
 - (ii) cognitive problem-solving skills;
 - (iii) basic literacy skills;
 - (iv) career skills;
 - (v) job placement;
 - (vi) post release tracking and support;
 - (vii) research and evaluation;
 - (viii) family involvement and support; and
 - (ix) multi agency collaboration.

(b) The plan shall be developed and implemented through the State Office of Education and the Board of Regents office in collaboration with the following entities:

 - (i) local boards of education;
 - (ii) Department of Corrections;
 - (iii) Department of Workforce Services;
 - (iv) Department of Human Services;
 - (v) Board of Pardons and Parole;
 - (vi) State Office of Rehabilitation; and
 - (vii) the Governor's office.

(c) The Legislature may provide appropriations for implementation of the plan through a line item appropriation to any one or a combination of the entities listed in Subsection (3)(b).
- (4) The Boards shall make annual reports to the Legislature through the Education Interim Committee on the effectiveness of the recidivism reduction plan.

**Corrections Education
Program Description**

Under House Bill 28, passed in 1992, the Recidivism Reduction Program (also known as Project Horizon) was established as the State's correction education program (see section (3)(a) above) and began in FY 1993. The program is a nine component plan and based on a highly researched program initiated in Canada and now utilized throughout the world. In addition to literacy and job skills, the plan is designed to provide important life skills training plus interagency support and family involvement to increase the likelihood of a successful, law-abiding return to the free world for the offender.

The nine components of the Program include:

1. Inmate Assessment;
2. Cognitive Problem- solving Skills;
3. Basic Literacy Skills;
4. Career Skills;
5. Job Placement;
6. Post Release Tracking and Support;
7. Research and Evaluation;
8. Family Involvement and Support; and
9. Multi Agency Collaboration.

Performance Measures

In January 1997, a report was released analyzing the effects of the Recidivism Reduction Program or Project Horizon on recidivism rates of participants. Results from the study are based on an analysis of data provided by the Department of Corrections covering 3,253 parolees since the program's inception. Major findings in this report are:

- ▶ Project Horizon participant recidivism rates are significantly lower than non-Horizon rates.
- ▶ Anticipated long term recidivism rates for non-Horizon participants range from 71 percent to 90 percent. Corresponding recidivism rates for Horizon participants range from 61 percent to 72 percent. The estimate for non-Horizon participants is 82 percent, for Horizon participants it is 65 percent, which represents a 20 percent reduction in recidivism. These values are in accord with previous national and local studies.
- ▶ Even slight reductions in recidivism can bring about large economic benefits. The project has a quick pay back and potentially can save the State of Utah millions of dollars in direct operating costs.
- ▶ The benefits of recidivism reduction and the associated decrease in crime are associated with large intangible benefits that amount to millions of dollars annually.
- ▶ Because costs related to recidivism are large relative to education costs, even minimal reductions in recidivism have potential for creditable savings.

Legislative Appropriations Overview

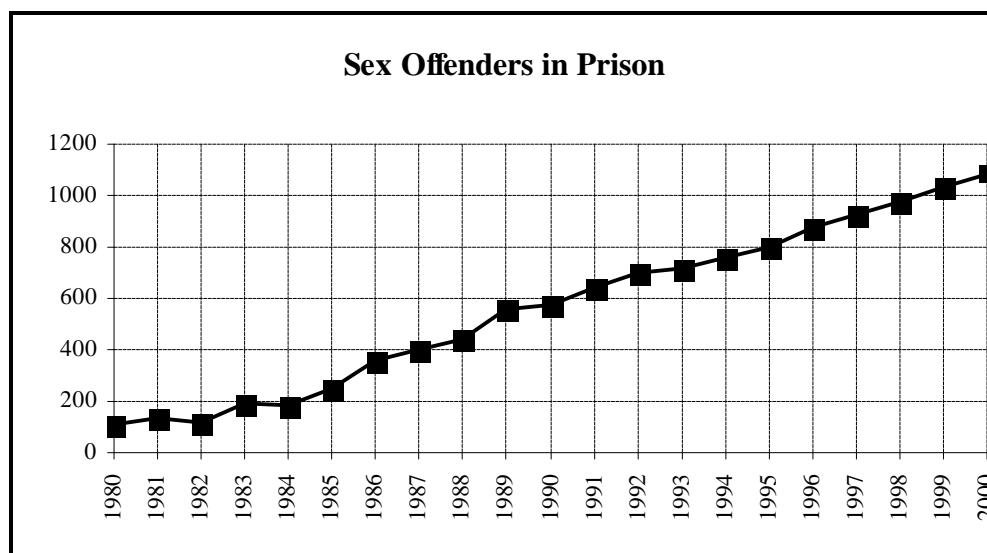
As stipulated under section (3)(c) of the law, the Legislature annually appropriates line item funding to the State Office of Education for basic educational services. The State Office of Education, in turn, contracts with the Jordan, South Sanpete, and Iron School Districts to provide basic educational services to State prison inmates at the Draper, Gunnison, and Iron County/Utah State Correctional Facilities respectively. Funding for post secondary educational services is provided by the Legislature to the State Board of Regents and from client tuition fees.

Special Population requiring less expensive settings

Populations that might require less intensive settings in terms of construction costs etc. might include:

- ▶ Those on 90-day evaluation.
- ▶ The older population (55 to 85 plus) and the infirm.
- ▶ Certain classes of sex offenders.

Growth in sex offender population



The growth in the sex offenders population over the last 15 years has had significant impact on the Corrections' system, particularly prison operations. Sex Offenders now represent approximately 25 percent of the total prison population. Specialized treatment and extended terms of confinement make these very expensive prisoners.

Programming Works

A study done for the Department of Corrections by expert consultants has shown sex offender treatment to be effective. A summary of that study is:

A Study of Twelve Measures of Recidivism

In 407 Adult Sex Offenders Over Ten Years

**Stephen P. Kramer, Ph. D., Larry Bench, Ph. D.,
and Susan Erickson, Ph. D.**

Four-hundred fifty adult sex offenders in a community residential treatment facility were divided into control groups as follows: treatment completers, passive failure to complete, and treatment failures. Twelve measures of recidivism were collected on each offender through the National Crime Information Center and through the Utah Bureau of Criminal Identification. The recidivism measures used are as follows: probation revoked, parole revoked, warrant issued non-sex offense, warrant issued sex offense, re-arrested misdemeanor non-sex offense, re-arrested for misdemeanor sex offense, convicted misdemeanor non-sex offense, convicted misdemeanor sex offense, re-arrested felony non-sex offense, re-arrested for felony sex offense, convicted felony non-sex offense, and convicted for a felony sex offense.

The data shows that for all categories of recidivism, the more treatment which has been completed, the less there is recidivism. For rule violations (failure to report, drinking curfew, etc.), there was 67 percent recidivism for the treatment failures, 38 percent for the passive failures, and 21 percent for the treatment completers.

For non-sex offenses the recidivism rate was 32 percent for treatment failures, 20 percent for passive failures, and 16 percent for the treatment completers. For sex offenses the recidivism rate was 28 percent for treatment failures, 19 percent for passive failures, and 13 percent for the treatment completers. Across all definitions of recidivism, the result was similar.

- ▶ The treatment failures re-offended at a 71 percent rate.
- ▶ The passive failures re-offended at a 48 percent rate.
- ▶ The treatment completers re-offended at a 31 percent rate.

These results carry several important conclusions. Firstly, it appears quite clearly that the treatment as applied in this context was effective at reducing sex offender recidivism. This is a significant finding when one considers the ongoing debate on the effectiveness of sex offender treatment. Secondly, the recidivism rates shown here, particularly for sex offenses, are not as high as expected. This finding suggests that perhaps more sex offenders can effectively be treated in community settings which could lift some of the financial burden from struggling correctional systems.

Inmate Labor can reduce Construction Costs

The 1997 Legislature passed the following intent language:

“It is the intent of the Legislature that the Department of Corrections, in conjunction with the Division of Facilities Construction and Management, develop an inmate construction and facility maintenance program. The purpose of this program should be to expand inmate employment in construction related fields in order to provide training for the inmate and a cost savings to the State. The program should be able to identify specific areas for application to state owned projects, with emphasis on correctional facilities. The program plan

should identify specific project savings with any offsetting costs necessary to achieve those savings. The facility budgets for FY 1999 should be prepared to include those components specific to inmate labor, with identification of the components and the anticipated savings."

As a result of this language a committee was formed with DFCM and the Department of Corrections to evaluate inmate use in prison construction. As of this writing, the committee has developed a draft proposal that includes the following issues:

- ▶ What other states are doing
- ▶ Utah experiences in using inmates in construction projects
- ▶ Private sector concerns
- ▶ Corrections concerns
- ▶ Committee discussions and recommendations
- ▶ Inmate construction training and experience

The draft proposal from this committee is as follows:

- A. Utah Correctional Industries expand its existing inmate construction program to include:
 - 1. On-site construction crews. This would begin on a small scale with the construction of the remodel of the Forensics Facility. Working with DFCM certain aspects of this building should be set aside for UCI. These projects could include landscaping, painting, some exterior concrete work such as sidewalks, rough electrical (conduit and fixtures, no wire hookup), etc. The bid specifications would go out asking for a bid for the entire project, and a second bid excluding the selected projects. This would provide a means to measure actual cost savings;
 - 2. Development of a metal fabrication plant for appropriate fixtures and furnishings for prison construction. Actual approval for this operation will require thorough cost analysis, UCI Advisory Board Approval, Public Hearing, etc;
 - 3. Development of a pre-cast concrete panel operation. Actual approval for this operation will require thorough cost analysis, UCI Advisory Board Approval, Public Hearing, etc; and
- B. In concert with one or more educational entities an apprentice program will be developed for inmates participating in UCI construction projects.

The amount of savings using inmate labor cannot be quantified at this time. However, the committee has roughly estimated that \$2.9 million to \$5.2 million might be saved on future projects. Future project estimates will identify the inmate labor components as directed by the intent language.

A handout detailing use of inmate labor to date and approximate savings already

realized will be provided separately on the day of the subcommittee discussion of the Corrections Budget.

Recommendation

The DFCM and Department of Corrections joint effort to increase the use of inmate labor should be encouraged.

**Housing Crisis -
Special Project**

The Request for Proposals has taken inordinately long to be prepared and issued, the privatized facility authorized last year will not come on line until very late in FY 2000. Since these beds were programmed to fill a demand in the fourth quarter of FY 1999, the Department has a serious bed shortage facing them in FY 1999 thru FY 2000. Corrections has developed an emergency project to fill this need. Although it surfaced after the Building Board hearings were essentially complete and the Governor's budget finished, a new proposal is being offered by the Department and endorsed by the Governor.

Construction Costs and Funding:

Corrections is proposing construction of two minimum security dormitory facilities, one at Draper (200 beds) and one at Gunnison (100 beds). Ninety percent of the construction funding for these dormitories will be provided by the Federal Violent Offender incarceration / Truth-in-Sentencing (VOITIS) construction grants. The state must provide the other ten percent of the funding. The State can match this with another Federal grant: The State Criminal Alien Assistance Program (SCAAP). Initial estimates suggest the facilities could be in operation within 120 days after legislative approval is granted.

Construction Costs:

100 Bed Gunnison	\$1,320,000
200 Bed Draper	<u>\$2,530,000</u>
Total	<u>\$3,850,000</u>

Construction Funds Sources:

VOITIS Grant	\$3,500,000
1 0% Match from Dept. (SCAAP funds FY 1998)	350,000
Total	<u>\$3,850,000</u>

Operating Costs and Funding:

The operating costs are estimated at \$1.42 million for FY 1999 (partial year), and \$4.39 million for the full year in FY 2000. Proposed funding to operate these facilities would come from unused funding for private facilities, and SCAAP funds. The estimated breakdown of these operating costs and the number of funded staff positions, is as follows:

	100 Bed Gunnison	200 Bed Draper	Total Cost
Operations Cost FY 1999			
Purchase of Vans	\$126,000	\$294,000	\$420,000
Operations	300,000	700,000	1,000,000
Total	\$426,000	\$994,000	\$1,420,000
Operations Cost FY 2000 (Full Year)			
Staffing	\$684,000	\$1,224,000	\$1,908,000
Inmate Housing	800,000	1,600,000	2,400,000
Vehicle Leases	25,000	58,800	84,000
Total Full Year Cost	\$1,509,200	\$2,882,800	\$4,392,000
Total Operations Cost FY 99/00	\$1,935,200	\$3,876,800	\$5,812,000
Positions	17.1	30.6	47.7

Operations Sources FY 1999/2000:

Unused funding from private facility for FY 1999	\$1,890,000
Unused funding from private facility for FY 2000	922,000
SCAAP funding from FY 1999	1,500,000
SCAAP funding from FY 2000	<u>1,500,000</u>
Total Full Year Cost	<u>\$5,812,000</u>

It should also be pointed out that in the FY 2001 budget request, Corrections will need an additional \$15 million for prison housing costs which would consist of \$7,610,000 for the 500-bed privatized facility; \$2,500,000 for the full year funding for CUCF 11; \$4,392,000 for the 300 minimum security beds; and \$3,000,000 for jail contracting.

Benefits:

1. The state is able to handle the increase in prison population even though the private prison is delayed.
2. Where possible, inmate labor could be used for: landscaping, painting, and site preparation.
3. The average construction cost per bed is \$12,833.

Notes:

The use of money allocated to the new 500-bed privatized facility is subject to Legislative approval. This leaves \$1,468,000 to operate the 500-bed privatized facility for two months in FY 2000. The \$1,468,000 is arrived at by taking the difference between the FY 2000 base of \$1,890,000 and the \$922,000 used to pay for the operation of the dormitories and then adding this difference of \$968,000 to the \$500,000 building block recommended by the Governor.

Intent Language

If the Legislature decides to support this project the Analyst suggests the following intent language be adopted:

“It is the intent of the Legislature that those funds, identified in item 28, page 8, in the FY 1998 Appropriations Act (SB 1) pertaining to the Privatized facility, be non-lapsing for use, with other funds as appropriate, for the operation of new dormitory beds being added at the Draper and Gunnison prisons.”

3.31 Draper Operations

Recommendation

The Analyst recommends a continuation budget for this budget. It should be noted that the Division of Institutional Operations and the Division-wide Administrative Services are shown as separate budget programs which will be presented later in this document.

	FY 1998	FY 1999	FY 2000	FY 99/00
Financing	Actual	Estimated	Analyst	Difference
General Fund	\$44,190,200	\$44,702,500	\$44,296,900	(\$405,600)
Federal Funds	1,555,700	1,496,000	1,449,600	(46,400)
Dedicated Credits	84,500	185,200	151,000	(34,200)
Beginning Nonlapsing			150,000	150,000
Ending Nonlapsing	796,400	(150,000)		150,000
Total	\$46,626,800	\$46,233,700	\$46,047,500	(\$186,200)
Programs				
Draper	\$46,626,800	\$46,233,700	\$46,047,500	(\$186,200)
Total	\$46,626,800	\$46,233,700	\$46,047,500	(\$186,200)

Housing for women inmates

The Analyst notes that the Woman's facility at Draper was at operational capacity approximately 11 months after it was constructed. At the same time, the limited number of Community Correctional slots means that over time the growing population of women offenders are being offered relatively fewer program opportunities than the male population. The Analyst supports the need for additional woman's beds, and recognizes the potential benefit of having the existing women's facility converted to a forensic mental facility.

Co-ed Prison

The Analyst recognizes the efforts of the Draper Women's facility to accommodate the special needs of their inmates. Community service opportunities, parenting and

prenatal classes and the opportunity for mothers to interact with their children adds to the lifestyle and potential recovery to mainstream society.

The relocation of the women inmates to the Timpanogas Facility (formerly all male) has turned that facility into a co-ed prison. Such facilities typically require additional attention to movement, accountability of inmates and staff training. How these special programs for women fit into a co-ed facility with its additional restrictions is a management question to be answered by the Department. The Analyst suggests that the Department report on the impact on co-ed prison operations and on women's programming.

Legislative Intent that Programs be shown

The 1997 General Appropriations Act (House Bill 1, 1997 General Session, item 30) included the following intent language:

“It is the intent of the Legislature that the budget presentations by the Department of Corrections for FY 1998 and beyond shall include identification of the number of staff and budget dollars going into inmate programming. These figures to be separate from the general housing, security costs and staffing.”

Program Name	FTE	Programming
		Total Costs
Mental Health/Sex Offender Treatment	66.36	\$3,143,055

Employment of inmates		1,448,506
Facility Programming	94	3,616,159
SSD	12	552,697
Urine Lab	1.5	207,625
Work Release & Transition - Lone Peak	28.33	1,758,549
Horizon Program	18	717,173
Chaplin/Volunteers	3.98	166,138
Forensic		179,550
Inmate Placement	6	613,610
DHS Substance Abuse Grant	10	360,006
Greenhouse Program	1.48	55,101
Library Services	3	139,369
Recidivism Model		371,802
Promontory Pre-Release	9	4,625,174
Diagnostic	17	856,588
Commissary	2	76,415
Therapeutic Com. Grant	3.5	156,429
Sex Offender Program	8	392,862
IAB Map Writing	6	251,804
Direct Costs	290	\$19,688,612
Institutional Operations		
Utilities	2	\$90,894
Maintenance	23	932,608
Laundry Services	35	1,612,804
	4	164,383
Indirect Costs	64	\$2,800,689
Total Dio Costs:		\$22,489,301
Education costs from Board of Education		
Education costs from Board of Regents		\$2,101,600
Exodus from Board of Education		\$600,000
Volunteer Hours of	68,328	
Donated Equipment		\$683,280
(includes computers for Family History Center)	5,000	
Outside Costs:		\$3,389,880

Performance Measures

The Analyst is aware of many programs at the Draper facility that benefit the community and special public. Perhaps the most significant of these is the Reading for the Blind program. The Analyst compliments the inmates and staff for their extra efforts in this laudable enterprise.

The Analyst notes that vegetables grown onsite are now being used to enrich the prison culinary offerings as well as supply community charitable activities.

As of January 1, 1999 there were 2,830 inmates in this facility. Using these figures the Operations and Maintenance (O&M) cost per inmate for the Draper facility is \$16,271 per year, excluding overhead costs for the Division, Department, medical costs and facility amortization.

**Draper/Jordan River
Parkway**

The 1998 Legislature included the following intent language in Senate Bill 1, item 28, page 8:

“It is the intent of the Legislature that any relocation of property adjacent to the Draper Prison facility will include provisions for a barrier to guarantee the integrity of the security of Prison facilities and inmates from public or other agency contact. If there are excess funds in Senate Bill 37, they may be used to provide the barrier.”

Forensic Facility

The facility originally built as a woman’s prison is being converted to a forensic facility. The women previously housed in this facility have been moved into a formerly all male facility which will now be co-ed (see above discussion). To staff the forensics operations of the renovated facility will require an additional \$1,135,200.

Recommendation: \$1,135,200 in General Funds

**3.32 Commissary
Operations**

The Analyst has included this budget for balancing purposes and issue discussion only.

	FY 1998	FY 1999	FY 2000
Financing	Actual	Estimated	Analyst
Dedicated Credits	\$183,500		
Ending Nonlapsing	(123,000)		
Lapsing			
Total	\$60,500		

Summary

Inmates of the correctional institutions are provided a “Commissary” or local store at which to purchase personal items from their own resources. Commissary services at the Draper complex sell hygiene aids, non-prescription drugs, letter writing materials, selected clothing items and snack foods. These sales govern non-personnel services operating expenses.

Performance Measures

The commissary operates primarily as a management tool to keep inmates pacified, without giving enough emphasis to good management practices. Further, the contractor responsible for the commissary has a strong background in institutional services. Checks of commissary prices against the open market for comparable goods and quality has shown commissary prices to be roughly equivalent to those in convenience stores in this market area..

Policy Questions

Since the price comparisons reflect comparability with local markets, the Analyst raises the following questions:

- ▶ Since, the contract vendor has no overhead and sells to a captive market, should prices be lower than the general market?
- ▶ Should the State benefit from a share in the profits to help cover State provided

infra-structure costs.

- ▶ Since a private vendor has taken over commissary services, should the number of corrections FTEs go down?

3.33 Central Utah Correctional Facility at Gunnison

Recommendation The Analyst recommends a continuation budget for this program

	FY 1998	FY 1999	FY 2000	FY 99/00
Financing	Actual	Estimated	Analyst	Difference
General Fund		\$18,082,600	\$18,074,200	(\$8,400)
Dedicated Credits	\$4,800	155,000	110,400	(\$44,600)
Transfers		119,700	119,700	
Beginning Nonlapsing				
Ending Nonlapsing	(140,200)			
Total	\$14,875,200	\$18,357,300	\$18,304,300	(\$53,000)

Partial year funding for the new CUCF I

The new 288 bed addition to the Gunnison facility will come on line in FY 2000. Partial-year funding for operations of the new unit will amount to \$2,100,000.

Recommendation: \$2,100,000 in General Funds

Summary

The Gunnison facility began operations with inmates in September 1990. The core facility is designed to accommodate additional buildings up to an expansion capacity of 2,000 beds (roughly the size of the Draper Facility).

As of January 1, 1999, there were 776 inmates in this facility (maximum capacity is 798). Using this figure, the Operations and Maintenance (O&M) cost per inmate for the Gunnison facility is \$23,588 per inmate per year, excluding overhead costs for the division, department, medical costs and facility amortization.

3.34 Iron County

Recommendation The Analyst is recommending a continuation budget for this facility.

	FY 1998	FY 1999	FY 2000	FY 99/00
Financing	Actual	Estimated	Analyst	Difference
General Fund	\$1,447,600	\$1,447,600	\$1,446,900	(\$2,300)
Dedicated Credits		11,000	11,000	
Beginning Nonlapsing				
Ending Nonlapsing	15,200			
Total	\$1,462,800	\$1,458,600	\$1,457,900	(\$2,300)

Summary

The Iron County Resource Center is a jointly operated county jail/satellite prison. The funding is based on a contractual obligation for the State to pay 51 percent of the costs.

The Analyst observes that although this budget includes only seven State FTEs, it also includes funds to pay the salaries of the other employees in the facility as contractual services (under the title "current expense" in the budget). Under the existing contract, actual State employees are limited in number, and the remainder of the work force are employed by the Resource Center. Salaries are based upon county salaries, which are slightly lower than State salaries.

Performance Measures As of January 1, 1998, there were 81 inmates in this facility (maximum capacity is 90). Using this figure the Operations and Maintenance (O&M) cost per inmate for the Cedar City facility is \$17,998 per year, excluding overhead costs for the Division, Department and facility amortization.

3.35 Lone Peak/Camp Williams

Recommendation The Analyst is recommending a continuation budget for this facility.

	FY 1998	FY 1999	FY 2000	FY 99/00
Financing	Actual	Estimated	Analyst	Difference
General Fund	\$1,551,000	\$1,624,200	\$2,122,500	\$498,300
Transfers	328,500	500,000		(500,000)
Beginning Nonlapsing				
Ending Nonlapsing	(194,800)			
Total	\$1,684,700	\$2,124,200	\$2,122,500	(\$1,700)

Summary The adult corrections programs, formerly at the Draper Lone Peak facility, were relocated to leased space at Camp Williams which was reconfigured for Corrections use.

The Analyst is concerned with the density of housing (199 on January 1, 1998). The limited common use space makes the facility at Camp Williams more than overcrowded during inclement weather/seasons. The Analyst suggests that this problem be discussed with the Department in the context of this budget review.

Performance Measures The new facility was occupied on November 14, 1993. Some of the programs now housed at Camp Williams include:

- ▶ Flame-in-Goes
- ▶ Forest Conservation Program
- ▶ Asbestos Busters
- ▶ Return to Custody Program
- ▶ Community Work Crews

As of January 1, 1999, there were 199 inmates in this facility (maximum capacity is 210). Using this figure the Operations and Maintenance (O&M) cost per inmate for the Camp Williams facility is \$10,665 per year, excluding overhead costs for the Division, Department, medical costs and facility amortization.

3.36 Promontory

Recommendation The Promontory Prerelease/Violators Center is recommended for a continuation budget.

	FY 1998	FY 1999	FY 2000	FY 99/00
Financing	Actual	Estimated	Analyst	Difference
General Fund	\$6,466,900	\$6,406,700	\$6,398,300	(\$8,400)
Dedicated Credits	62,200	62,200	62,200	
Beginning Nonlapsing				
Ending Nonlapsing	(73,500)			
Total	\$6,455,600	\$6,468,900	\$6,460,500	(\$8,400)

Summary

The privately operated Promontory Pre-release/Violators Center, approved by the Legislature, came on line in FY 1996. The center prepares inmates for living outside of the institution after their incarceration. They also assist parolees who have violated their conditions of parole.

The Operations and Maintenance (O&M) cost per inmate for the Promontory facility is \$16,151 per resident bed per year, excluding overhead costs for the Division, Department, medical costs and facility amortization.

3.37 Privatized Facility

Recommendation Over the last two years the Analyst's office has been reviewing alternative private contract prisons. We have recommended to the Executive Appropriation Committee that a privatized prison would be an appropriate addition to the mix of inmate housing options.

	FY 1998	FY 1999	FY 2000	FY 99/00
Financing	Actual	Estimated	Analyst	Difference
General Fund		\$1,890,000	\$1,890,000	
Total		\$1,890,000	\$1,890,000	

Background

The Analyst recommended funding for a 500 bed privatized facility. The costs are estimated at a capitation rate of \$42 per day (based on visits and interviews with other states and private providers). The 1998 Legislature included an appropriation of \$1,890,000 for the first three months of operations of a privatized facility in FY 1999. The final Request for Proposal (RFP) was issued so late in 1998 that the facility will probably not be available until late FY 2000, if then. As noted in an earlier presentation, the Department now wishes to redirect these funds to another state facility program. If the diversion is approved, the privatized facility will require replacement funding in next year's General Session for the facility to come on-line.

3.38 Institutional Operations support Services

Recommendation The Analyst is recommending a continuation budget.

	FY 1998	FY 1999	FY 2000	FY 99/00
Financing	Actual	Estimated	Analyst	Difference
General Fund		\$3,054,600	\$3,046,200	(\$8,400)
Dedicated Credits		450,000	205,000	(\$245,000)
Beginning Nonlapsing				
Ending Nonlapsing				
Total		\$3,504,600	\$3,251,200	(\$253,400)

Support Services

- ▶ This budget includes those support services required for a system housing over 5,400 and with a staff of 1,242 including:
- ▶ Inmate Funds Accounting Office
- ▶ Food Services
- ▶ Commissary (shown as a separate budget category)
- ▶ Warehouse/Purchasing Services
- ▶ Mail/Property Unit
- ▶ Laundry/Clothing Issue
- ▶ Records Unit

The Analyst notes that these programs do not include medical services or allocated overhead for Departmental services.

3.39 Division Administration

Recommendation The Analyst is recommending a continuation budget.

	FY 1998	FY 1999	FY 2000	FT 99/00
Financing	Actual	Estimated	Analyst	Difference
General Fund	\$3,769,400	\$2,066,200	\$1,926,900	(\$139,300)
Dedicated Credits	180,000	143,000	71,000	
Beginning Nonlapsing	427,200	1,641,200	400,000	(1,241,200)
Ending Nonlapsing	33,300	(400,000)		400,000
Total	\$4,409,900	\$3,450,400	\$2,397,900	(\$1,052,500)

3.4 Medical Services

Recommendations

The Analyst recommends a continuation budget for this program.

The recommendation reflects the requirement to provide medical, dental and mental health care to those incarcerated by the state. Local medical services for the Gunnison and Iron County facilities are carried in those budgets. Major medical expenses are provided by outside contracts, most notably the University of Utah Medical Center.

Recommendation

	FY 1998	FY 1999	FY 2000	FY 99/00
Financing	Actual	Estimated	Analyst	Difference
General Fund	\$13,791,600	\$13,905,900	\$13,871,600	(\$34,300)
Dedicated Credits	3,800	139,000	151,000	12,000
Transfers	443,500	409,900	409,900	
Beginning Nonlapsing	124,800	139,200	55,000	(84,200)
Ending Nonlapsing	(139,200)	(55,000)		
Lapsing				
Total	\$14,224,500	\$14,539,000	\$14,487,500	(\$51,500)
Programs				
Medical Services	\$14,224,500	\$14,539,000	\$14,487,500	(\$51,500)
Total	\$14,224,500	\$14,539,000	\$14,487,500	(\$51,500)

Auditor's Findings

The Legislative Auditor General's Report (cited earlier) found annual medical costs per inmate to be \$2,155 in FY 1997. The report also noted administrative costs have been controlled and organizational structure has been streamlined. Many treatment programs were found to be filled to capacity and caseloads exceed effectiveness limits. They also noted that housing assignments can cause problems for treatment programs since continuity of treatment is broken when inmates are relocated. Similarly, access to and continuity of program are impacted when an inmate moves from prison to parole status.

Summary

This budget represents the medical care provided for those in State custody. Prisoners have a right to medical care and the State has a duty to provide this care. The Draper clinical area and medical and mental health units continue to serve the growing population with basic medical services. One of the consequences of a history of inadequate care has been lost lawsuits.

Dental health is another area of concern. Inmates are also entitled to reasonable dental care, but slowness in providing this care is not a violation of the reasonable provision of dental care. The rule-of-thumb is providing service similar to what is available to the general public. In an average week the Draper dental staff sees 215 inmates for routine dental care and emergency work. In addition, some are sent to community dentists for specialized dental surgery.

Pre-existing Medical problems

Inmates enter prison with a variety of preexisting conditions that put inordinate economic pressure on the administration of health care. Because of the very nature of the corrections population, these conditions also have a much higher incidence than the public sector generally. Among these are high rates of: drug and alcohol abuse, psychiatric disorders, suicide, trauma, seizure disorders, asthma, sexually transmitted diseases (including the HIV virus), Tuberculosis, dental problems and Hypertension.

As an inmate, they have limited control of their environment. Medical care represents the facing of the “establishment,” and provides an inmate an opportunity to manipulate authority - related people. For this and other reasons, inmates have a higher incidence of requests for medical services. This effort to achieve personal secondary gains add greatly to the cost and frustration of inmate medical services. Utah has made a surcharge to the inmate for supplemental (not requested by staff) medical services as a mechanism to control extra care/treatment requests. The Department should report on its success date.

HIV and AIDS

The HIV virus is also known to be transmitted via IV-drug use as well as sexual contact and blood transfusions. While the incidence of AIDS in the general population has been increasing, the incidence within the prison system is growing at 2 to 5 percent, *per year*. This is compounded by with the fact that 90 percent of seropositive HIV shows some degree of immune deficiency within five years and doctors believe that all individuals infected with HIV will become ill and eventually die.

Typically, correctional systems are being expected to spend between \$72,000 and \$130,000 for hospitalization and treatment of a single AIDS patient. Currently the prison system has approximately 75 HIV positive inmates.

Hepatitis

The potential loss of life is much greater for Hepatitis, however, than from AIDS, *per se*. Fulminate Hepatitis B causes death within seven to 48 days with an average cost for treatment running from \$88,000 to \$155,000 per patient. Approximately 45 percent of the prison population is currently positive for Hepatitis B (projected to reach 60 percent by 1999).

Hepatitis C is a much slower killer, but, more pervasive in the inmate population. Approximately 70 percent of Utah’s inmates test positive for Hepatitis C (projected to 80 percent in 1999). Interferon treatments for this disease are \$306.28 per month or \$3,700 per year per individual. The interferon/ribavirin treatment costs \$1,411.78 per month or \$16,900 per year per individual. There is no vaccine against Hepatitis C.

Aging population means increased medical demands

The percentage of inmates over the age of 60 has increased dramatically and will continue to do so. As of December 8, 1998, there were 60 men and 2 women 60 and over in the system. Existing data show this population used one and one-half as much medical care as the general population. These individuals are more prone to chronic diseases. “Senior” inmates require many more prescriptions and most particularly the expensive medications, and much more of the in-patient services when sent to the University Medical Center.

Need for an Extended Care Facility

Treatment of the elderly and terminally ill with their expensive diseases and treatments demand the system develop an extended care facility for the frail elderly and terminally

ill within the next few years. Lacking these facilities the State can anticipate extended legal challenges and inflated medical budgets for years to come.

The 1997 Legislature included the following intent in the Appropriations Act (item 31, House Bill 400, 1997 General Session):

“It is the intent of the Legislature that the Department of Corrections develop a long term plan for the frail elderly and terminally ill that will provide 1) the requisite medical care, 2) mental health and grief support, and 3) education and family support components, while representing the most cost effective alternative or combination of alternatives. This plan is to be presented to the Judiciary Interim Committee by November 1996.”

The report was presented and the subcommittee should now give the Department an opportunity to report progress on their plan to deal with this specialized and costly population.

Mentally Ill

A 1997 one-day count in Alaska prisons found 29 percent of inmates suffered from mental illness. Estimates as high as 15 percent for the Utah system have been made with 150 or more being serious and chronic. For ongoing programming for the mentally ill and developmentally disabled there is a Special Services Dormitory (SSD) with 32 beds for the seriously mentally ill and 35 beds for less severe cases. The Special Services Dormitory is the site where treatment of sex offenders, Mentally Retarded and Developmentally Disabled (MR/DD), and other serious mental illnesses. This dorm is small, cramped and offers little space for therapy.

The in-house construction/renovation done by Corrections with inmate labor provided a 28-bed unit in B-north wing of the Wasatch Prison Facility (Draper) has been converted to exclusive Mental Health acute care use.

Adding to these facilities is the soon to come on line, forensic facility at Draper has been noted earlier in this report.

Co-pay for medical services

As in 15 other states, Utah recognized the increasing demand for medical services in it's institutions. Inmate non-emergency visits grew both in parallel with the growth in general population and as a result of the inmate's perception that this was a part of the "system" over which they had some control and options.

To forestall unnecessary medical visits the Department instituted a co-pay system which immediately saw results in reduced spurious medical demands. Other benefits of such a program are:

- ▶ Increased time for medical staff to spend with the truly need patients
- ▶ Promotion of responsibility among patients
- ▶ Increased staff morale
- ▶ Saved staff hours

Clearly co-pay reduces the number of sick call visits. Research being conducted by the

Florida Department of Corrections on their \$4 co-pay program suggests that any savings may be offset by increased emergency services required. Preliminary data shows a number of inmates defer sick call but eventually cost even more in: (1) treatment, (2) inmate grievances and (3) potential lawsuits.

The Analyst recommends that the department be asked to report of the savings and the changes in the related grievances and medical based lawsuits since co-pay was instituted.

3.6 Forensic Services

Recommendation

The Analyst recommends a continuation budget for this program.

	FY 1998	FY 1999	FY 2000	FY 99/00
Financing	Actual	Estimated	Analyst	Difference
General Fund	\$190,000	\$190,000	\$190,000	
Total	\$190,000	\$190,000	\$190,000	

Summary

With the passage of the State Hospital Amendments Bill in the 1989 General Session, persons in the custody of the Department of Corrections who require mental health services, whether at the State Mental Hospital or at local mental health authorities, are the responsibility of the Department for funding.

3.7 Utah Correctional Industries (an Enterprise Fund)

Recommendation

The Analyst is recommending a continuation budget. Based on recent successes and the growth of the inmate population the Analyst is recommending a budget higher than in FY 1999.

	FY 1998	FY 1999	FY 2000	FY 99/00
Financing	Actual	Estimated	Analyst	Difference
General Fund	(\$26,800)	(\$100,000)	(\$100,000)	
Dedicated Credits	12,426,900	12,500,100	15,225,800	\$2,725,700
Beginning Nonlapsing				
Ending Nonlapsing				
Lapsing				
Total	\$12,400,100	\$12,400,100	\$15,125,800	\$2,725,700

Purpose

The Legislature's intention, as indicated by statute, is that Correctional Industries provide an environment for the operation of correctional industries that closely resembles the environment for the business operations of a private corporate entity.

Included in this intent of the Legislature are four standards which Correctional Industries are to maintain. These are:

- ▶ The Division is to be a self-supporting organization.
- ▶ The Division's economic goal is to be profit-oriented.
- ▶ Revenue for operations and capital investment are to be generated by the Division.
- ▶ The Division assume responsibility for training offenders in general work habits, work skills, and specific training skills that increase their employment prospects when released.

In relation to the Legislature's mandate for Correctional Industries, the Division has developed the following mission statement:

"It is the mission of Utah Correctional Industries to provide inmates with the tools necessary to be competitive and enhance the prospects of success in the free world.

"Utah Correctional Industries provides training and work experiences for inmates in the production of high quality products and the delivery of high quality services to government agencies and other approved customers.

“Utah Correctional Industries provides training and work experience in an environment that stresses performance standards comparable to those used by successful employers in the private sector.”

Method

The Division of Correctional Industries creates business opportunities under the direction of the Advisory Board of Utah Correctional Industries. This Board consists of seven members. The Director of the Department of Corrections, or his designee, is a member. Three members are appointed by the Speaker of the House of Representatives, the President of the Senate, and the Corrections Advisory Council. The Governor appoints the remaining three members. The members of the Board are to have decision-making experience in production, finance, and marketing. The statute also requires that one member of the Board represent labor.

Under the auspices of the Advisory Board, enterprises are created which allow the inmates an opportunity to work in operations which closely resemble business operations of a private corporate nature. The Division has chosen to operate those business enterprises which operate at a profit and meet other Division goals.

This means that profitable business enterprises subsidize unprofitable operations when it is determined that the unprofitable entities contribute to an extent with the inmates that justifies the training nature of the operation over the profit orientation of the enterprise.

Organization

The Division of Correctional Industries is managed under the direction of the Division Director. He has been given responsibility, by the Legislature, to:

- ▶ Determine personnel needs and requirements of the program.
- ▶ Hire all subordinate personnel in accordance with State policy and procedures.
- ▶ Market and deliver correctional industry products and services.

Inmate Employees

Obviously, businesses operated by the Division of Correctional Industries are manned by inmate populations. This raises two concerns: (1) security for the inmates, and (2) security from the inmates.

Security for the inmates is a cost incurred by the Division already addressed earlier, and poses an interesting problem. How much freedom do you allow an inmate and to what extent can you utilize inmate labor before it becomes a security concern?

Inmates are housed in a correctional facility because of a past history of actions on their part which were deemed inappropriate in our society. Through Correctional Industries we are allowing them some freedom in order to help reintroduce them into society after they serve their allotted time. Inherent in this freedom is the chance that an inmate could manipulate the system. Manipulation of the system could range from innocent pranks to serious problems.

When computers are put at the disposal of inmates what controls are in place to insure that no misuse of them occurs? If an inmate is placed in a supervisory position within a business entity, what safeguards are present to avoid problems?

This issue of security from inmates is raised purely as a policy discussion issue. Its purpose is to bring to the Legislature attention the need for oversight in this area by all levels of administration.

Financials

The following UCI FY 1998 financial data is for the 21 UCI businesses and 6 private firms working through UCI:

Total	Assets	\$5,979,084.86
	Liabilities	\$1,632,280.95
	Equity	\$4,346,803.91
	Retained Earnings	\$1,243,906.49
	Net Profit	\$113,173.32

Summary

Correctional Industries in the State of Utah is one of the most successful in the nation in terms of number of inmates employed. Peak daily inmate participation for 1998 was 878 which equates to approximately 17 percent of the overall prison population.

While the Division seeks to identify business opportunities that would enhance their program and broaden the inmate population affected by their operations, they continually start and eliminate business ventures. This process is appropriate since they are not mandated to operate for profit purposes, only to operate at a profit.

Additional space at the Gunnison facility will be available upon completion of construction currently taking place. When that space is available additional Correctional Industries activity will take place at Gunnison.

3.8 Jail Programs

Recommendation

The Analyst recommends a continuation budget for this program.

	FY 1998	FY 1999	FY 2000	FY 99/00
Financing	Actual	Estimated	Analyst	Difference
General Fund	\$14,271,100	\$18,635,900	\$18,450,200	(\$185,700)
Federal Funds	58,100	100,000	100,000	
Dedicated Credits	1,800	3,000	3,000	
Transfers	11,000			
Beginning Nonlapsing		1,954,800	700,000	(1,254,800)
Ending Nonlapsing	(1,954,800)	(700,000)		700,000
Lapsing				
Total	\$12,387,200	\$19,993,700	\$19,253,200	(\$740,500)
Programs				
Jail Reimbursement	\$6,476,900	\$7,428,200	\$7,428,100	(\$300)
Placement	5,910,300	12,565,500	11,825,100	496,300
Total	\$12,387,200	\$19,993,700	\$19,253,200	(\$740,500)

Jail Reimbursement

The 1993 Legislature recreated a jail reimbursement program (House Bill 162) to fund county jails for keeping offenders sentenced to jail as a condition of probation. The bill required the Department of Corrections to request jail reimbursement funds each year on a sliding scale so that after five years the program would be at full funding. First year funding (FY 1994) for this program was \$250,000. Funding for FY 1999 was \$7,428,200. Full funding for FY 1999, according to the statutory formula, would be \$9,769,600.

Jail Contracting

Contracting for jail beds in local jails helps relieve prison crowding and defers emergency relief. Jail Contracting is also much more cost effective than prison beds. The State has contracted with local county sheriffs for the housing of State inmates at local jails. There is a significant savings to the State in this program. Additionally, there will be inmates both to and from other states on interstate compacts, and in other in-state non-prison facilities.

As of January 1, 1999, there were 794 inmates in this status. Using this figure the Operations and Maintenance (O&M) cost per inmate for jail contracting is \$14,897 per inmate per year, plus medical and transportation costs.

As of December 12, 1998 the following jails were participating in the program.

Agency	Count
Iron County/ State	80
Beaver County Jail	144
Box Elder County Jail	55
Cache County Jail	10
Carbon County Jail	8
Dagget County Jail	33
Davis County Jail	4
Duchesne County Jail	134
Garfield County Jail	8
Grand County Jail	8
Iron County Jail	2
Kane County Jail	8
Millard County Jail	59
San Juan County Jail	58
Sanpete County Jail	7
Sevier County Jail	69
Summit County Jail	8
Tooele County Jail	2
Uintah County Jail	32
Wasatch County Jail	43
Washington County Jail	116

Utah also participates with other states in a compact which provides for the placement of inmates from one state in another state's prisons. Good management keeps the exchanges close to revenue neutral for the State. On any given day there may be as many as 68 Utah inmates in other states and a similar number from other states in Utah prisons. The Department has been very attentive to guarantee that the state does not operate at an exchange deficit and wind up "housing" other states prisoners per se.

3.9 Data Processing Internal Service Fund (ISF)

Recommendation The Analyst recommends a continuation budget for the ISF.

Financing

	FY 1998	FY 1999	FY 2000	FY 99/00
Financing	Actual	Estimated	Analyst	Difference
General Fund	(\$38,000)	\$60,200	(\$400)	(\$60,600)
Dedicated Credits	1,289,900	1,289,800	1,343,600	53,800
Total	\$1,251,900	\$1,350,000	\$1,343,200	(\$6,800)
FTE	10	10	10	

As an internal service fund the following data elements need to be reviewed and affirmed by formal action of the subcommittee to be included in the appropriations act:

FTE	10
Capital outlay	\$226,400
Billing Rate	\$250 per device per month

A handout detailing the proposed capital outlay items will be provided on the day of the subcommittee meeting to discuss this budget.

4.0 Tables

	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000
Financing	Actual	Actual	Actual	Estimated	Analyst
General Fund	\$114,013,900	\$129,728,100	\$137,128,700	\$151,041,300	\$153,560,100
Federal Funds	1,914,000	1,914,400	1,604,400	2,217,200	1,824,300
Dedicated Credits	13,285,100	14,538,900	15,846,300	17,115,200	20,309,000
Transfers	1,163,400	1,050,000	1,273,500	1,029,600	529,600
Beginning Nonlapsing	3,183,000	3,183,000	2,432,700	4,498,200	1,680,000
Ending Nonlapsing	(3,183,000)	(2,432,700)	(2,543,600)	(1,680,000)	
Lapsing	(12,000)	(10,700)			
Total	\$130,364,400	\$147,971,000	\$155,742,000	\$174,221,500	\$177,903,000
Programs					
Administration	\$7,421,600	\$7,677,400	\$8,209,300	\$9,018,400	\$8,482,900
Field Operations	34,700,400	30,199,000	31,503,500	33,095,800	33,513,500
Institutional Operations	64,297,700	72,930,400	75,575,500	83,634,500	81,931,800
Medical	10,978,100	12,902,400	14,224,500	14,539,000	14,487,500
Forensics	190,000	179,300	190,000	190,000	190,000
Utah Correctional Ind.	8,618,600	12,024,500	12,400,100	12,400,100	15,125,800
Data Processing ISF	526,800	860,800	1,251,900	1,350,000	1,343,200
Jail Programs	3,631,200	11,197,200	12,387,200	19,993,700	19,253,200
Total	\$130,364,400	\$147,971,000	\$155,742,000	\$174,221,500	\$177,903,000

Full Time Equivalents (FTE)

	FY 1997	FY 1998	FY 1999	FY 2000	%
Programs	Actual	Actual	Estimate	Analyst	of total
Administration	106.05	106.05	105.32	110.05	5.04%
Field Operations	515.57	516.57	527.09	532.57	24.37%
Institutional Operations	1,234.73	1,241.73	1,240.62	1,234.73	56.51%
Medical	199.27	199.27	199.85	199.27	9.12%
Placement	4.00	6.00	9.33	4.00	0.18%
Jail Reimbursement	1.00	1.00	1.00	1.00	0.05%
Utah Correctional Industries	83.88	94.92	106.78	103.38	4.73%
Total	2,144.50	2,165.54	2,189.99	2,185.00	